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CLASS 1 RAILROADS

APPROVED BY GAO

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annual report

INTERSTATE
COMMERCE COMMISSION
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to the



Interstate Commerce Commission

FOR THE YEAR ENDED DECEMBER 31, 1978

ANNUAL REPORT

OF

LOUISVILLE AND NASHVILLE RAILROAD COMPANY

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1978

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

(Name) D. L. Morris (Title) Vice President and Comptroller

(Telephone number) 502 587-5389
(Area code) (Telephone number)

(Office address) 908 West Broadway, Louisville, KY 40201
(Street and number, city, State, and ZIP code)

SPECIAL NOTICE

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

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

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

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

ESTIMATE OF REPORTING BURDEN

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

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

Total hours (Estimated) 3300

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A. SCHEDULES OMITTED BY RESPONDENT

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

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

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

Page	Schedule No.	Title
		NONE

B. IDENTITY OF RESPONDENT

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

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

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

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

1. Exact name of common carrier making this report Louisville and Nashville Railroad Company

2. Date of incorporation March 5, 1850

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

Act of Kentucky Legislature approved March 5, 1850. (Act 1849-50, Page 427 and numerous amendments).

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.

Respondent was not formed as a result of a consolidation or merger during the year.

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

Not applicable

STOCKHOLDERS REPORTS

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

Check appropriate box:

☐ Two copies are attached to this report.

☐ Two copies will be submitted _____
(date)

☒ No annual report to stockholders is prepared.

C. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common, \$ 50 per share; first preferred, \$ - per share; second preferred, \$ - per share; debenture stock, \$ - per share.
2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote Yes (See footnote)
3. Are voting rights proportional to holdings? Yes If not, state in a footnote the relation between holdings and corresponding voting rights.
4. Are voting rights attached to any securities other than stock? Yes 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. See Footnote to Inquiry No. 2.
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 April 24, 1978 for Annual Meeting of Stockholders
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. 2,490,328 votes, as of December 1, 1978 (Date)
8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. one stockholders.
9. Give the names of the thirty security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements give, as supplemental information the names and addresses of the thirty largest holders of the voting trust certificates and the amount of their individual holdings. If the stock book was not closed or the list of stockholders compiled within such year, show such thirty security holders as of the close of the year.

Line No.	Name of security holder	Address of security holder	Number of votes to which security holder was entitled	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED		
				Stocks		
				Common	PREFERRED	
	(a)	(b)	(c)	(d)	Second (e)	First (f)
1	Seaboard Coast Line	Jacksonville, FLA	2,490,328	2,490,328		
2	Railroad Company					
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
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24						
25						
26						
27						
28						
29						
30						

C. VOTING POWERS AND ELECTIONS - Continued

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent. 2,490,328
votes cast.

11. Give the date of such meeting. April 24, 1978

12. Give the place of such meeting. Richmond, VA

NOTES AND REMARKS

Note applicable to inquiry No. 2:

Each share of L&N common stock is entitled to one vote.

At meeting of the Board of Directors held February 19, 1974, resolution was adopted authorizing the surrender and cancellation of the outstanding shares of the Company's \$2.10 Cumulative Convertible Preferred Stock Series A. Certificate in the name of Seaboard Coast Line Railroad Company, representing 771,468 shares (all the outstanding shares) was subsequently surrendered and cancelled effective March 13, 1974.

Note applicable to inquiry No. 4:

Whenever accumulated unpaid interest on Chicago, Indianapolis & Louisville Railway Company (Monon Railroad) First Mortgage Bonds equals 12 per cent of the principal amount of the Bonds, the holders of such bonds shall have the right to nominate three of the members of the Board of Directors of the Railroad Company which nominees shall be elected by stockholders at the next annual election of directors, such right to continue until all accumulations of unpaid interest are paid.

Whenever accumulated unpaid interest on Chicago, Indianapolis & Louisville Railway Company (Monon Railroad) Second Mortgage Bonds equals 13½ per cent of the principal amount of the Bonds, the holders of such Bonds shall have the right to nominate three of the members of the Board of Directors of the Railroad Company, which nominees shall be elected by stockholders at the next annual election of directors, such right to continue until all accumulations of unpaid interest are paid.

Note applicable to inquiry No. 5:

See note applicable to inquiry No. 2.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
		<u>Current Assets</u>	\$	\$
1	701	Cash	5,983	2,123
2	702	Temporary Cash Investments (Sch. 300)	11,878	9,925
3	703	Special Deposits (Sch. 300)	518	343
		Accounts Receivable		
4	705	Interline and Other Balances	1,315	1,477
5	706	Customers	39,997	27,772
6	707, 704	Other	11,237	13,294
7	709, 708	Accrued Accounts Receivables	117,197	97,808
8	708.5	Receivables from Affiliated Companies	5,423	9,007
9	709.5	Less: Allowance for Uncollectible Accounts		
10	711, 714	Prepayments (and working funds) (Sch. 300)	1,255	1,210
11	712	Materials and Supplies	29,724	25,562
12	713	Other Current Assets (Sch. 300)	1,542	1,620
13		Total Current Assets	226,069	190,141
		<u>Other Assets</u>		
14	715, 716, 717, 722, 723, 724	Special Funds and Other Investments and advances (Sch. 315)	7,951	15,894
15	721, 721.5	Investments and Advances: Affiliated Companies (Sch. 310)	65,523	64,725
16	737, 738	Property used in other than Carrier Operations (less depreciation)	8,131	8,344
		\$ (Sch. 325)		
17	739, 741	Other Assets (Sch. 329)	8,154	12,013
18	743, 744	Other Deferred Debits (Sch. 329)	16,544	17,615
19		Total Other Assets	106,303	118,591
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)	733,250	712,910
21		Equipment	955,349	978,146
22		Unallocated Items		
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)	(493,283)	(474,039)
24		Net road and Equipment	1,195,316	1,217,017
25		Total Assets	1,527,688	1,525,749

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND EQUITY

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
<u>Current Liabilities</u>			\$	\$
26	751	Loans and Notes Payable (Sch. 370)	4,354	
27	752	Accounts Payable; Interline and Other Balances	3,161	2,267
28	753, 754	Other Accounts Payable	37,645	25,401
29	755, 756	Interest and Dividends Payable	11,627	11,527
30	757	Payables to Affiliated Companies	377	5,333
31	759	Accrued accounts Payable (Sch. 370)	100,006	80,539
32	760, 761, 761.5, 762	Taxes Accrued (Sch. 379)	16,396	14,422
33	763	Other Current Liabilities (Sch. 370)	28,233	24,633
34	764	Equipment obligations and other long-term debt due within one year	48,864	47,975
35		Total Current Liabilities	250,663	212,097
<u>Non Current Liabilities</u>				
36	765, 767	Funded debt unmatured	262,569	245,223
37	766	Equipment obligations	300,457	318,303
38	766.5	Capitalized Lease Obligations	20,738	30,459
39	768	Debt in default		
40	769	Accounts payable; Affiliated Companies	15,202	5,008
41	770.1, 770.2	Unamortized debt premium	(779)	(925)
42	781	Interest in default		
43	783	Deferred revenues-Transfers from Government Authorities		
44	786	Accumulated deferred income tax credits	113,085	112,357
45	771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits (Sch. 379)	58,945	65,218
46		Total Noncurrent Liabilities	770,214	775,643
<u>Stockholders' Equity</u>				
47	791, 792	Capital Stock: (Sch. 230)	124,517	124,517
48		Common Stock	124,517	124,517
49		Preferred Stock		
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)	43,816	43,816
		Retained Earnings:		
52	797	Appropriated (221)		
53	798	Unappropriated (220)	338,478	369,676
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock		
56		Net Stockholders Equity	506,811	538,009
57		Total Liabilities and Shareholders Equity	1,527,688	1,525,749

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

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

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

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

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made \$ None

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

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

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

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

(ii) If funding is by trust agreement, list trustee(s) First Kentucky Trust of Louisville

Date of trust agreement or latest amendment December 1, 1978

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

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

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

Yes ☐ No ☒

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

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

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

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

(a) Deferred maintenance \$ 4,532

(b) Delayed capital improvements \$ 41,191

Note "a"

The Company has an unfunded non-contributory pension arrangement for non-union employees who retired before January 1, 1969. Related charges to operating expenses for the five years ended December 31, 1978, representing amounts paid to retired employees were approximately \$1,449, \$1,400, \$1,337, \$1,232, and \$1,145, respectively. Based upon the latest actuarial report available (January 1, 1977), the Company's liability for past service costs were approximately \$11,031 as of that date.

The Company has a funded pension plan for non-union employees retiring on or after January 1, 1969. This plan supplements benefits received by these employees under the Railroad Retirement Act. Pension costs for the five years ended December 31, 1978, amount to approximately \$4,310, \$2,948, \$3,606, \$3,745, and \$3,872, respectively, including amortization of prior service costs over 30 years. Based upon

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.

Note: Marketable Equity Securities which are immaterial other than those accounted for by the Equity Method, are carried at lower of cost or realizable value. (Market value not readily available.)

(a) Changes in Valuation Accounts		Cost	Market	Dr. (Cr) to Income	Dr. (Cr) to Stockholders' Equity
(Current Yr.)	Current Portfolio				XXXXXX
as of / /	Noncurrent Portfolio			XXXXXX	\$
(Previous Yr.)	Current Portfolio			XXXXXX	XXXXXX
as of / /	Noncurrent Portfolio			XXXXXX	XXXXXX

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

	Gains	Losses
Current	\$ _____	\$ _____
Noncurrent	_____	_____

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

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

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

NOTES AND REMARKS

the latest actuarial report available (January 1, 1978) the actuarial value of vested benefits is \$22,136. Since the cost value of assets as used for valuation purposes is \$24,227, it exceeds the value of vested benefits, so that there is no unfunded value of vested benefits as of January 1, 1978.

Note "b"

Effective January 1, 1978, the Louisville and Nashville Railroad Company Employees' Supplemental Retirement Plan (which was adopted by the Carrollton Railroad; Ga. RR; A&WP RR; WRYofAla, effective January 1, 1976) was merged into the Seaboard Coast Line Railroad Company Plan. The name of the merged plans was changed to the Family Lines System Employees' Supplemental Retirement Plan. The L&N's funding is based on the Entry Age Normal Cost Method. By this method the Normal Cost is the level annual percentage of pay required to fund the prospective pension, based on each employee's age upon completion of the eligibility requirement. The Accrued Liability is the accumulation to the valuation date by these prior Normal Costs.

210. RESULTS OF OPERATIONS

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

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

3. List dividends from investments accounted for under the

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

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

5. Report dollars in thousands.

Line No.	Item (a)	Amount for Current Year (b)	Amount for Preceding Year (c)	Freight-Related Revenues & Expenses (d)	Passenger-Related Revenues & Expenses (e)
	ORDINARY ITEMS				
	OPERATING INCOME				
	Railway Operating Income				
1	(101) Freight **	\$ 802,559	\$ 747,838	\$ 802,559	\$
2	(102) Passenger **				
3	(103) Passenger-Related				
4	(104) Switching	5,159	5,394	5,159	
5	(105) Water Transfers				
6	(106) Demurrage	13,981	8,372	13,981	
7	(110) Incidental	2,293	2,281	2,293	
8	(121) Joint Facility-Credit	439	334	439	
9	(122) Joint Facility-Debit	2	2	2	
10	(501) Railway operating revenues (Exclusive of transfers from Government Authorities)	824,429	764,217	824,429	
11	(502) Railway operating revenues-Transfers from Government Authorities for current operations				
12	(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities				
13	Total railway operating revenues (lines 10-12)	824,429	764,217	824,429	
14	(531) Railway operating expenses	803,728	713,713	803,728	
15	*Net revenue from railway operations	20,701	50,504	20,701	
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations	555	1,022		
17	(510) Miscellaneous rent income	1,449	1,254		
18	(512) Separately operated properties-Profit	3,451	5,020		
19	(513) Dividend Income	115	124		
20	(514) Interest income	1,413	1,264		
21	(516) Income from sinking and other funds	585	521		
22	(517) Release of premiums of funded debt	39	40		
23	(518) Contributions from other companies				
24	(519) Miscellaneous income	6,972	9,370		
	Income from affiliated companies:				
25	Dividends				
26	Equity in undistributed earnings (losses)	699	1,162		
27	Total other income (lines 16-26)	15,279	19,777		
28	Total income (lines 15, 27)	35,980	70,281		
	MISCELLANEOUS DEDUCTIONS FROM INCOME				
29	(534) Expenses of property used in other than carrier operations	221	25		
30	(535) Taxes on property used in other than carrier operations	844	544		
31	(543) Miscellaneous rent expense	232	250		
32	(544) Miscellaneous taxes	157			
33	(545) Separately operated properties-Loss	607	457		
34	(549) Maintenance of investment organization				
35	(550) Income transferred to other companies	6,126	2,477		
36	(551) Miscellaneous income charges				
37	(553) Uncollectible accounts				
38	Total miscellaneous deductions (lines 29-37)	8,187	3,753		
39	Income available for fixed charges (lines 28, 38)	27,793	66,528		

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:	47,265	46,096
40	(a) Fixed interest not in default		
41	(b) Interest in default	1,491	448
42	(547) Interest on unfunded debt	372	358
43	(548) Amortization of discount on funded debt	49,128	46,992
44	Total fixed charges (lines 40-43)	(21,335)	19,526
45	Income after fixed charges (lines 39, 44)		
	OTHER DEDUCTIONS		
	(546) Interest on funded debt:	560	578
46	(c) Contingent interest		
	UNUSUAL OR INFREQUENT ITEMS		
47	(555) Unusual or infrequent items (debit) credit	(9,162)	
48	Income (loss) for continuing operations (before income taxes)	(31,057)	19,048
	PROVISIONS FOR INCOME TAXES		
	(556) Income taxes on ordinary income:		
49	Federal income taxes	(187)	(1,245)
50	State income taxes	(716)	684
51	Other income taxes		
52	(557) Provision for deferred income taxes	1,044	(663)
53	Income from continuing operations	(31,198)	20,272
	DISCONTINUED OPERATIONS		
54	(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)		
55	(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)		
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES		
56	(570) Extraordinary items (Net)		
57	(590) Income taxes on extraordinary items		
58	(591) Provision for deferred taxes - Extraordinary items		
59	Total extraordinary items (lines 56-58)		
60	(592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$)		
61	Net income	(31,198)	20,272
	*Reconciliation of net railway operating income (NROI)		
62	Net revenues from railway operations	20,701	
63	(556) Income taxes on ordinary income	(903)	
64	(557) Provision for deferred income taxes	(1,044)	
65	Income from lease of road and equipment	(25)	
66	Rent for leased roads and equipment	3,312	
67	Net railway operating income	23,847	
	**Report hereunder the charges to the revenue accounts representing payments made to others for		
68	Terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates \$ 1,498		
	(a) Of the amount reported for "Net revenue from railway operations", None % (to nearest whole number) represents payments for collection and delivery of LCL freight either in TOFC trailers or otherwise. The percentage reported is (Check one): Actual () Estimated ()		
69	Switching services when performed in connection with line-haul transportation of freight on the basis of switching tariffs and allowances out of freight rates, including the switching of empty cars in connection with a revenue movement \$ 11,282		
	Substitute highway motor service in lieu of line-haul rail service performed under tariffs published by rail carriers (does not include traffic moved on joint rail-motor rates)		
70	(a) Payments for transportation of persons \$ None		
71	(b) Payments for transportation of freight shipments \$ 303		
	NOTE: -Gross charges for protective services to perishable freight, without deduction for any proportion thereof credited to Accounts No. 101, "Freight" (not required from switching and terminal companies):		
72	Charges for service for the protection against heat \$ 38		
73	Charges for service for the protection against cold \$ 2		

220. RETAINED EARNINGS—UNAPPROPRIATED

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

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

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

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

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

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

Line No.	Item	Retained earnings—Unappropriated	Equity in undistributed earnings (losses) of affiliated companies
	(a)	(b)	(c)
1	Balances at beginning of year _____	\$ 363,960	\$ 5,716
2	(601.5) Prior period adjustments to beginning retained earnings _____		
	CREDITS		
3	(602) Credit balance transferred from earnings _____		
4	(603) Appropriations released _____		
5	(606) Other credits to retained earnings _____		
6	Total _____		
	DEBITS		
7	(612) Debit balance transferred from income _____	30,199	999
8	(616) Other debits to retained income _____		
9	(620) Appropriations for sinking and other reserve funds _____		
10	(621) Appropriations for other purposes _____		
11	(623) Dividends: Common stock _____		
12	Preferred stock ¹ _____		
13	Total _____	30,199	999
14	Net increase (decrease) during year (Line 6 minus line 13) _____	(30,199)	(999)
15	Balances at close of year (Lines 1, 2 and 14) _____	333,761	4,717
16	Balance from line 15(c) _____	4,717	XXXXX
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year _____	338,478	XXXXX
	REMARKS		
	Amount of assigned Federal income tax consequences:		
18	Account 606 _____	None	XXXXX
19	Account 616 _____	None	XXXXX

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

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

221. RETAINED EARNINGS—APPROPRIATED

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

Line No.	Class of appropriation (a)	Credits during year (b)	Debits during year (c)	Balance at close of year (d)
		\$	\$	\$
1	Additions to property through retained income			
2	Funded debt retired through retained income			
3	Sinking fund reserves			
4	Incentive per diem funds			
5	Miscellaneous fund reserves			
6	Other appropriations (specify):			
7				
8				
9				
10				
11				
12				
13				
14				
15				
16	TOTAL	None	None	None

225. TRANSFERS FROM GOVERNMENT AUTHORITIES

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

Line No.	Description (a)	Amount (b)	Applied to current operations (c)	Deferred to future periods (d)	Applied to contributed capital (e)
	Source and description of transfers	\$	\$	\$	\$
1					
2					
3					
4					
5					
6					
7	Total received during year	None			
8	Cumulative total of Government transfers-beginning of year	None	XXXXX	XXXXX	XXXXX
9	Cumulative total of Government transfers-end of year	None	XXXXX	XXXXX	XXXXX

230. CAPITAL STOCK

PART I. CAPITAL STOCK

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

are considered to be actually issued when sold to a bona fide purchaser who holds them free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be actually outstanding. If reacquired by or for the respondent under such circumstances as required them to be considered as held alive, and not canceled or retired, they are considered to be nominally outstanding.

5. If stock is being held subject to an exchange for the outstanding securities of constituent companies, then include such stock as outstanding stock, and disclose the details in footnotes.

6. Report dollars in thousands.

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	\$50	3,000,000	2,493,067		2,490,328	124,517	
2								
3								
4	Preferred							
5								
6								
7								
8								
9								
10	TOTAL	XXXXX	3,000,000	2,493,067		2,490,328	124,517	

PART II. SUMMARY OF CAPITAL STOCK CHANGES DURING YEAR

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

5. Disclose in column (h) the additional paid-in capital realized from changes in capital stock during year.

6. Unusual circumstances arising from changes in capital stock changes shall be fully explained in footnotes to this schedule.

7. Report dollars in thousands.

Line No.	Items (a)	Preferred Stock		Common Stock		Treasury Stock		Additional Capital (h)
		Number of Shares (b)	Amount (c)	Number of Shares (d)	Amount (e)	Number of Shares (f)	Amount (g)	
11	Balance at beginning of year		\$		\$		\$	\$
12	Capital Stock Sold ¹							
13	Capital Stock Reacquired							
14	Capital Stock Canceled							
15	Stock Dividends							
16	Balance at Close of Year	None		None		None		None

¹ By footnote 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 invest-

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

Report dollars in thousands.

Line No.	Description (a)	Current year (b)	Prior year (c)
	SOURCES OF WORKING CAPITAL		
	Working capital provided by operations:		
1	Net income (loss) before extraordinary items	(31,138)	20,272
	Add expenses not requiring outlay of working capital; (subtract) credits not generating working capital:		
2	Retirement of nondepreciable property	1,059	609
3	Loss (gain) on sale or disposal of tangible property	(2,595)	(4,986)
4	Depreciation and amortization expenses	46,024	45,145
5	Net increase (decrease) in deferred income taxes	725	(663)
6	Net decrease (increase) in parent's share of subsidiary's undistributed income for the year	699	(1,012)
7	Net increase (decrease) in noncurrent portion of estimated liabilities	1,673	2,230
	Other (specify):		
8	Profit on Company Bonds Reacquired	(1,271)	(1,385)
9	Amortization of Other Elements of Investment	(352)	(343)
10	Amortization of Debt Premium and Discount	146	190
11			
12			
13	Total working capital from operations before extraordinary items	14,910	60,057

240. STATEMENT OF CHANGES IN FINANCIAL POSITION - Continued

Line No.	Description (a)	Current year (b)	Prior year (c)
SOURCES OF WORKING CAPITAL - Continued			
14	Add funds generated by reason of discontinued operations, extraordinary items, prior period adjustments, and changes in accounting principles	\$	\$
15	Total working capital from operations	14,910	60,057
Working capital from sources other than operating:			
16	Proceeds from issuance of long-term liabilities	46,534	90,257
17	Proceeds from sale/disposition of carrier operating property	15,896	11,198
18	Proceeds from sale/disposition of other tangible property	2,595	4,986
19	Proceeds from sale/repayment of investments advances	6,291	7,502
20	Net decrease in sinking and other special funds	7,943	
21	Proceeds from issue of capital stock		
Other (specify):			
22			
23	Paid-in Capital Surplus		5,853
24	Amounts Payable to Affiliated Companies	10,194	
25	Net increase in Other Assets and Deferred Charges	4,930	
26			
27	Total working capital from sources other than operating	94,383	119,796
28	Total sources of working capital	109,293	179,853

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	55,485	51,104
30	Cash dividends declared		14,942
31	Purchase price of carrier operating property	40,701	107,875
32	Purchase price of other tangible property	11	39
33	Purchase price of long-term investments and advances	7,788	7,913
34	Net increase in sinking or other special funds		4,044
35	Purchase price of acquiring treasury stock		
	Other (specify):		
36	Net Decrease in Other Liabilities and Deferred Credits	7,946	1,400
37	Net Increase in Other Assets and Deferred Charges		12,888
38			
39			
40			
41			
42			
43			
44			
45	Total application of working capital	111,931	200,205
46	Net increase (decrease) in working capital	(2,638)	(20,352)

241. CHANGES IN WORKING CAPITAL

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

Line No.	Item (a)	Current year (b)	Prior year (c)	Increase (Decrease) (d)
1	Cash and temporary investments	\$ 17,861	\$ 12,048	\$ 5,813
2	Net receivables	175,169	149,358	25,811
3	Prepayments	1,255	1,210	45
4	Materials and supplies	29,724	25,562	4,162
5	Other current assets not included above	2,060	1,963	97
6	Notes payable and matured obligations	4,354		4,354
7	Accounts payable	152,816	125,067	27,749
8	Current equipment obligations and other debt	48,864	47,975	889
9	Other current liabilities not included above	44,629	39,055	5,574
10	Net increase (decrease) in working capital			(2,638)

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245. WORKING CAPITAL INFORMATION

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

Line No.	Item	Amount
	(a)	(b)
1	Construction and additions and betterments	\$ 4,202
2	Common-carrier operating purposes	51,736
3	Used by other than respondent's lessee companies	14,072
4	Total	70,010
5	Portion of balance in the material and supplies account at end of year that represents scrap and obsolete material	1,329
6	Account 707, Accounts receivable; other	5,461
7	Account 754, Accounts payable; other	
8	Account 761, State and other income taxes accrued	1,003
9	Account 556, Income taxes on ordinary income	(716)

NOTES AND REMARKS

300. ITEMS IN SELECTED CURRENT ASSET ACCOUNTS

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

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

Line No.	Account No. (a)	Item (b)	Amount (c)
1	702	Commercial Paper	\$ 10,941
2		United States Government Obligations	937
3			
4			
5	709	Accrued interline freight balances	92,883
6		Estimated equipment rental	15,095
7		Receivables in suspense for which billing cannot be made against various companies and governmental agencies until completion of projects.	4,268
8			
9			
10			
11			
12	712	Store stock - general	20,400
13		Cross-tie inventory at various locations	5,689
14		Material in transit	3,390
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			

301. COMPENSATING BALANCES AND SHORT-TERM BORROWING ARRANGEMENTS

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

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

As of December 31, 1978, compensating balances not legally restricted totaled \$7,718 and lines of credit totaled \$9,950 with usage of \$5,300.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

12. Report dollars in thousands.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES

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

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

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

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

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

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

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

Line No.	Account No.	Class No.	Kind of Industry	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds)	Extent of control
	(a)	(b)	(c)	(d)	(e)
1	721	A 1	VII	Atlanta & West Point RR Co. (1)	J 34.82*
2				Augusta & Summerville RR Co.	J 12.50
3				The Belt Ry. Company of Chicago (2)	J 15.38
4				The Carrollton Railroad	100.00
5				Central Tfr. Ry. & Stge. Co. (1)	J 50.00
6				Chicago & Western Indiana RR (2)	J 20.00
7				The Cincinnati Union Terminal Co.	J 14.29
8				Evansville Connecting RR	100.00
9				Fruit Growers Express Co. (1)	J 7.06
10				Haysi Railroad Co.	J 50.00
11				Kentucky & Indiana Term. RR (2)	J 33.33
12				L.H. & St. L. Preferred	(1) 97.47
13				Scrip \$79.05	
14				L.H. & St. L. Common	(1) 55.01
15				Nashville & Decatur RR	
16				Paducah & Illinois RR Co.	J 33.33
17				The Pullman Company	J 2.59
18				Terminal RR Assn. of St. Louis (1)	J 6.25
19				Trailer Train Company	J 2.44
20				Western Railway of Alabama	J 41.14*
21				Woodstock & Blocton Ry. Co. (1)	J 50.00
22	721	A 1		Total	
23	721	A 2	VII	L&N RR in South Carolina	100.00
24	721	A 2		Total	
25					
26	721	A 3	II	Chicago & Indianapolis Coal Co. (2)	100.00
27					
28	721	A 3	VI	L&N Investment Corp.	100.00
29	721	A 3	VI	Monon Realty Co., Inc. (2)	100.00
30	721	A 3	VII	Monon Transportation Corp. (2)	100.00
31	721	A 3		Total	
32	721	A		Total	
33					
34					
35					
36	*			Includes this Company's one-half proportion of stock held jointly with Seaboard Coast Line RR for account of Lessees of The Georgia RR.	
37					
38					
39					
40					

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Continued

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

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

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

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

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

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

12. Report dollars in thousands.

Investments and advances				Disposed of, Profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income	Line No.
Opening balance	Additions	Deductions (if other than sale explain)	Closing balance				
(f)	(g)	(h)	(i)	(j)	(k)	(l)	
\$ 311	\$	\$	\$ 311	\$	\$	\$ 41	1
10			10				2
480			480				3
75			75				4
11			11			1	5
128			128				6
500			500		(500)		7
50			50				8
418			418				9
10			10				10
25			25				11
							12
812			812				13
659			659				14
2,024			2,024				15
3			3				16
311			311		(200)		17
							18
80			80				19
361			361			62	20
121			121			6	21
6,389			6,389		(700)	110	22
10		10					23
10		10					24
							25
299			299			1,387	26
							27
1,849			1,849			250	28
7			7			52	29
5			5			9	30
2,160			2,160			1,698	31
8,559		10	8,549		(700)	1,808	32
							33
							34
							35
							36
							37
							38
							39
							40

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Continued

Line No.	Account No. (a)	Class No. (b)	Kind of Industry (c)	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent of control (e)
1	721	B 1	VII	Central Tfr. Ry. & Stge. Co., 5%	
2				(Matures July 1, 1984)	(1)
3				L. H. & St. L. Railway Co., 5%	
4				(Matures October 1, 2015)	(1)
5				Western Railway of Alabama, 5%	
6				(Matures October 1, 1983)	
7				K. & I.T. RR, 4-7/8% (Matures March 1, 1986)	
8	721	B		Total	
9					
10	721	D 1	VII	Columbia, Newberry & Laurens RR	
11				Chicago & Indianapolis Coal Co.	(2)
12				Trailer Train Company	
13	721	D		Total	
14					
15	721	E 1	VII	The Belt Railway Company of Chicago	(3)
16				The Carrollton Railroad	
17				Central Transfer Railway & Storage Co.	
18				Chicago & Western Indiana RR	(3)
19				The Cincinnati Union Terminal Co.	
20				Clinchfield Railroad	
21				Georgia Railroad	
22				Haysi Railroad	
23				Kentucky & Indiana Term. RR	(3)
24				L. H. & St. L. Ry. Co.	
25				Paducah & Illinois RR Co.	
26				Terminal RR Assn. of St. Louis	
27	721	E 1		Total	
28	721	E 3	VI	L&N Investment Corporation	
29				Houston-McCord Realty Company	
30				Holston Land Company	
31	721	E 3		Total	
32					
33	721	E		Total	
34					
35				Grand Total	
36					
37					
38					
39					
40					

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Concluded

Investments and advances				Disposed of: Profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income	Line No.
Opening balance (f)	Additions (g)	Deductions (if other than sale explain) (h)	Closing balance (i)				
\$	\$	\$	\$	\$	\$	\$	
10			10			1	1
							2
							3
613			613				4
							5
745	31		776			37	6
90	11	36	65			5	7
1,458	42	36	1,464			43	8
							9
731		731				9	10
120			120			7	11
934			934			66	12
1,785		731	1,054			82	13
							14
734	81		815			46	15
240	80	240	80				16
7			7				17
7,267	532	1,908	5,891				18
3,602	3		3,605		(3,308)		19
20,287	5,232	1,192	24,327				20
6,066	1,334	1,142	6,258				21
300			300			27	22
1,167	79		1,246			2	23
3,408	262	80	3,590			2	24
1,436		26	1,410			67	25
892	205	364	733			30	26
45,406	7,808	4,952	48,262		(3,308)	174	27
3,162	29		3,191				28
2,647	25	262	2,410				29
	(116)		(116)				30
5,809	(62)	262	5,485				31
							32
51,215	7,746	5,214	53,747		(3,308)	174	33
63,017	7,788	5,991	64,814		(4,008)	2,107	34
							35
							36
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							40

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

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

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

of Accounts.)

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

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

of acquisition.

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

(DOLLARS IN THOUSANDS)

Line No.	Name of issuing company and description of security held.	Balance at beginning of year	Adjustment for investments equity method	Equity in undistributed earnings (losses) during year	Amortization during year	Adjustment for investments disposed of or written down during year	Balance at Close of year
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Carriers: (List specifics for each company)						
2	Louisville, Henderson & St. Louis Ry. Co. Stock	\$ 4,008	\$	\$	\$	\$	\$ 4,008
3	The Carrollton Railroad "	927		180			1,107
4							
5	Louisville and Nashville RR in So. Carolina "	(2)				2	
6							
7	Nashville and Decatur RR "	119					119
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25	Total	5,052		180		2	5,234
26	Non-Carriers: (Show totals only for each column)	664		(1,181)			(517)
27	Total	5,716		(1,001)		2	4,717

NOTES AND REMARKS

310. Investments and Advances Affiliated Companies - Concluded

Lien Reference 1. Pledged under First and Refunding Mortgage

2. Pledged with Trustee of former Monon First Mortgage

3. Pledged with Trustee of former Monon First Mortgage in connection with issue of Series "C" Bonds as follows: (Dollars in Thousands)

The Belt Railway Co. of Chicago \$41

Chicago & Western Indiana R.R. 51

Kentucky & Indiana Terminal R.R. 92

Note A - In all cases (except the Atlanta & West Point R.R. Co. and the Western Railway of Alabama, control of which is held through ownership of stock and through agreement) control is established through ownership of majority of stock; is exercised direct and is "sole" except where percentage is prefixed by the letter "J" indicating joint.

Income Account 513, "Dividend Income," includes the following dividends on stocks held under the Georgia Railroad Lease: (Dollars in Thousands)

Atlanta & West Point Rail Road Co. - \$21; Western Railway of Alabama - \$34

Other Parties to Joint Agreement for Control:

Line 2 - Southern Ry. Co., Central of Georgia Ry. Co., and Seaboard Coast Line R.R. Co.

Line 10 - Seaboard Coast Line Railroad Company

Line 3 - A.T. & S.F. Ry., Burl. Nor. R.R., C&O R.R., C.R.I.&P. R.R., Conrail, G.T.W. R.R., I.C.G. R.R., Mo.Pac. R.R. Co., N.&W. Ry. Co. and The Soo Line R.R. Co.

Line 5 - Southern Railway Company

Line 6 - Conrail; G.T.W. R.R. Co., Mo.Pac. R.R. Co., and N.&W. Ry.

Line 7 - C.&O. R.R., B.&O. R.R., Conrail, Southern Railway Company and Norfolk and Western R.R.

Lines 9, 17 and 19 - Jointly controlled with other roads

Line 11 - Baltimore and Ohio R.R. and Southern Ry. Co.

Line 16 - Burlington Northern R.R. and Illinois Central Gulf R.R. Co.

Line 18 - C.R.I.&P. R.R. Co., C&O-B&O R.R. Co., I.C.G. R.R. Co., Sou. Ry. Co., Missouri Pacific R.R. Co., Burlington Northern R.R., St. Louis Southwestern Ry. Co., M.K.T. R.R., and St. Louis San Francisco Ry. Co.

Line 21 - Alabama Great Southern R.R. Co.

315. SPECIAL FUNDS AND OTHER INVESTMENTS

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

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

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

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

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company or government and description of security held; also lien reference, if any	Balance at close of year	Book value of investment made during the year
	(a)	(b)	(c)	(d)	(e)	(f)
1				NONE	\$	\$
2						
3						
4						
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315. SPECIAL FUNDS AND OTHER INVESTMENTS—Continued

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

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

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

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

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

8. Report dollars in thousands.

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

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

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

Line No.	Class No.	Name of issuing company and security or other intangible thing in which investment is made	Total book value of investments at close of year	Book value of investments made during year
(a)	(b)	(c)	(d)	
1	A-3	Cybernetics & Systems, Inc.-Capital Stock	\$ 100	\$ None
2	A-3	Houston-McCord Realty Co. -Capital Stock	100	None
3	A-3	Monon Coal Company, Inc. -Capital Stock	91	None
4				
5				
6				
7				
8				
9				
10				
11				
12				
13	B-3	Monon Coal Company, Inc.	125	None
14				
15				
16				
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18				
19				
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319. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING SUBSIDIARIES—Continued

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

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

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

INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		Extent of control	Names of subsidiaries in connection with things owned or controlled through them	Line No.
Book Value (c)	Selling price (f)			
\$ None	\$ None	100	L&N Investment Corporation	1
None	None	100	L&N Investment Corporation	2
None	None	92	Chicago and Indianapolis Coal Co., Inc.	3
				4
				5
				6
				7
				8
				9
				10
				11
None	None	92	Chicago and Indianapolis Coal Co., Inc.	12
				13
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325. PROPERTY USED IN OTHER THAN CARRIER OPERATIONS

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

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

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

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

Line No.	Item (Kind and location of property, and nature of business, if any) (a)	A. INVESTMENT (ACCOUNT 737)			
		Year of acquisition (b)	Charges during the year (c)	Credits during the year (d)	Balance of close of year (See ins. 3) (e)
1			\$	\$	\$
2	Not Applicable				
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22	Total	X X X X			

NOTES AND REMARKS

325. PROPERTY USED IN OTHER THAN CARRIER OPERATIONS—Continued

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

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

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

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

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

8. Report dollars in thousands.

B. REVENUES, INCOME, EXPENSES AND TAXES CREDITED AND DEBITED TO ACCOUNTS 506, 534, 535 AND 544 DURING THE YEAR				C. ACCUMULATED DEPRECIATION (ACCOUNT 738)					Line No.
Revenues or income (f)	Expenses (g)	Taxes (h)	Net profit for year (L loss) (i)	Credits during the year (j)	Debits during the year (k)	Balance at close of year (l)	Base (m)	Rates (n)	
\$	\$	\$	\$	\$	\$	\$	\$	%	1
									2
									3
									4
									5
									6
									7
									8
									9
									10
									11
									12
									13
									14
									15
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									19
									20
									21
								XXXXX	22

NOTES AND REMARKS

329. OTHER ASSETS AND OTHER DEFERRED DEBITS

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

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

Line No.	Account No. (a)	Item (b)	Amount (c)
1	741	Accounts receivable from customers - items over one year old	\$ 3,027
2		Notes and accounts, the collection of which is being handled	
3		with the Law Department	2,356
4		Advances to Chicago and Western Indiana Railroad Company for	
5		improvement to leased property	855
6			
7	743	Proceeds from sale of \$8,000,000 principal amount Industrial	
8		Park Revenue Bonds (Louisville and Nashville Railroad), Series	
9		1977, for construction of a railroad bridge over Biloxi Bay,	
10		Harrison County, Mississippi	7,415
11		Unadjusted loss and damage claims	1,268
12		Estimated amount of insurance to be recovered from wreck on	
13		January 29, 1978, at Campbellsburg, Kentucky	1,042
14			
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INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 330 AND 330A

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

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

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

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

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

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

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

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

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

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

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

11. Show dollars in thousands.

Sch. 330

NOTES AND REMARKS

1. Acct. 38 304,965.99	2. Eliminate Acct. 43 per	Acct. 43 (5,898.04)
Acct. 43 5,898.04	ICC Docket 36367	Acct. 3 1,000.00
310,864.03		Acct. 12 2,911.85
		Acct. 17 1,677.19
		Acct. 39 309.00
		x
3. Eliminate Acct. 38 per ICC		
Docket 36367. Dr. Acct. 743		

Sch. 330A

1. Acct. 38 287.95	2. Acct. 38 (4,678.05)
Acct. 43 (241.00)	Acct. 43 (241.00)
46.95	(4,919.05)

3. Eliminate Acct. 38 (Lessee & Lessor) per ICC Docket 36367.

Sch. 332

- * Depreciation on Radnor Rail Welding Plant charged to Production @ Clear Reserve for loss on passenger facilities due to AMTRAK
- # Depreciation on leased computers charged to Acct. 331
- % Cancellation of capitalized lease (Clinchfield)

330. ROAD AND EQUIPMENT PROPERTY (See Instructions)

Line No.	Account (a)	Balance at beginning of year (b)	Expenditures during the year for original road and equipment, and road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)
1	(1) Engineering	\$ 6,266	\$	\$
2	(2) Land for transportation purposes	22,307		
3	(3) Grading	144,313		
4	(4) Other right-of-way expenditures	398		
5	(5) Tunnels and subways	11,145		
6	(6) Bridges, trestles, and culverts	98,487		
7	(7) Elevated structures	x		
8	(8) Ties	28,274		
9	(9) Rails	67,619		
10	(10) Other track material	60,777		
11	(11) Ballast	28,402		
12	(12) Track laying and surfacing	37,297		
13	(13) Fences, snowsheds, and signs	2,626		
14	(16) Station and office buildings	30,267		
15	(17) Roadway buildings	4,666		
16	(18) Water stations	253		
17	(19) Fuel stations	1,723		
18	(20) Shops and enginehouses	23,858		
19	(22) Storage warehouses	x		
20	(23) Wharves and docks	897		
21	(24) Coal and ore wharves	x		
22	(25) TOFC/COFC terminals	1,860		
23	(26) Communication systems	14,374		
24	(27) Signals and interlockers	47,545		
25	(29) Power plants	158		
26	(31) Power-transmission systems	1,874		
27	(35) Miscellaneous structures	567		
28	(37) Roadway machines	13,348		
29	(39) Public improvements—Construction	9,112		
30	(44) Shop machinery	9,328		
31	(45) Power-plant machinery	388		
32	Other (specify and explain)	(1) 311		
33	Total expenditures for road	668,440		
34	(52) Locomotives	168,519		
35	(53) Freight-train cars	798,936		
36	(54) Passenger-train cars	x		
37	(55) Highway revenue equipment	x		
38	(56) Floating equipment	x		
39	(57) Work equipment	7,789		
40	(58) Miscellaneous equipment	2,465		
41	Total expenditures for equipment	977,709		
42	(76) Interest during construction	x		
43	(77) Other expenditures—General	x		
44	Total general expenditures	x		
45	Total	1,646,149		
46	(80) Other elements of investment	(19,417)		
47	(90) Construction work in progress	44,918		
48	Grand Total	1,671,650		

330. ROAD AND EQUIPMENT PROPERTY (See Instructions)

Expenditures for additions and betterments during the year	Credits for property retired during the year	Net changes during the year	Balance at close of year	Line No.
(c)	(f)	(g)	(h)	
\$ 1 228	\$ 59	\$ 169	\$ 6,435	1
2 8	158	(150)	22,157	2
3 2,304	178	2,126	146,439	3
4 x			398	4
5 x	x	x	11,145	5
6 2,169	327	1,842	100,329	6
7 x	x	x	x	7
8 477	163	314	28,588	8
9 6,684	5,726	958	68,577	9
10 2,587	969	1,618	62,395	10
11 166	153	13	28,415	11
12 844	140	704	38,001	12
13 17	18	(1)	2,625	13
14 1,579	1,059	520	30,787	14
15 28	14	14	4,680	15
16 x	7	(7)	246	16
17 89	17	72	1,795	17
18 3,728	59	3,669	27,527	18
19 x	x	x	x	19
20 x	x	x	897	20
21 x	x	x	x	21
22 345	4	341	2,201	22
23 2,630	146	2,484	16,858	23
24 1,538	561	977	48,522	24
25 19		19	177	25
26 631		631	2,505	26
27 525		525	1,092	27
28 641	377	264	13,612	28
29 94	19	75	9,187	29
30 576	84	492	9,820	30
31 82		82	470	31
(2) (6)	(3) 305	(311)	x	32
27,983	10,543	17,440	685,880	33
34 4,548	3,593	955	169,474	34
35 11,550	35,143	(23,593)	775,343	35
36 x	x	x	x	36
37 x	x	x	x	37
38 x	x	x	x	38
39 21	153	(132)	7,657	39
40 46	28	18	2,483	40
16,165	38,917	(22,752)	954,957	41
x	x	x	x	42
x	x	x	x	43
x	x	x	x	44
44,148	49,460	(5,312)	1,640,837	45
2,616	(330)	330	(19,087)	46
45,764	49,130	2,616	47,534	47
		(2,366)	1,669,284	48

330A. IMPROVEMENTS ON LEASED PROPERTY (See Instruction)

Line No.	Account (Dollars in thousands)	Balance at beginning of year	Expenditures during the year for original road and equipment, and road extensions	Expenditures during the year for purchase of existing lines, reorganizations, etc.
	(a)	(b)	(c)	(d)
1	(1) Engineering	\$ 273	\$	\$
2	(2) Land for transportation purposes	1,286		
3	(3) Clearing	2,527		
4	(4) Other right-of-way expenditures	7		
5	(5) Tunnels and subways	270		
6	(6) Bridges, trestles, and culverts	2,665		
7	(7) Elevated structures	x		
8	(8) Ties	472		
9	(9) Rails	2,111		
10	(10) Other track material	2,625		
11	(11) Ballast	98		
12	(12) Track laying and surfacing	1,014		
13	(13) Fences, snowsheds, and signs	58		
14	(16) Station and office buildings	564		
15	(17) Roadway buildings	(19)		
16	(18) Water stations	(31)		
17	(19) Fuel stations	(18)		
18	(20) Shops and enginehouses	(31)		
19	(22) Storage warehouses	x		
20	(23) Wharves and docks	x		
21	(24) Coal and ore wharves	x		
22	(25) TOFC/COFC terminals	13		
23	(26) Communication systems	379		
24	(27) Signals and interlockers	2,637		
25	(29) Power plants	x		
26	(31) Power-transmission systems	2		
27	(35) Miscellaneous structures			
28	(37) Roadway machines	(1)		
29	(39) Public improvements—Construction	1,290		
30	(44) Shop machinery	(1)		
31	(45) Power-plant machinery	x		
32	Other (specify and explain)	()		
33	Total expenditures for road	18,190		
34	(52) Locomotives			
35	(53) Freight-train cars			
36	(54) Passenger-train cars			
37	(55) Highway revenue equipment			
38	(56) Floating equipment			
39	(57) Work equipment			
40	(58) Miscellaneous equipment			
41	Total expenditures for equipment	x		
42	(76) Interest during construction			
43	(77) Other expenditures—General			
44	Total general expenditures	x		
45	Total	18,190		
46	(80) Other elements of investment	x		
47	(90) Construction work in progress	1,216		
48	Grand Total	19,406		

330A. IMPROVEMENTS ON LEASED PROPERTY - Continued

Expenditures for additions and betterments during the year	Credits for property retired during the year	Net changes during the year	Balance at close of year	Line No.
(e)	(f)	(g)	(h)	
\$ 1 2	\$ 1	\$ 1	\$ 274	1
2 8	1	7	1,293	2
3			2,527	3
4			7	4
5			270	5
6 40	1	39	2,704	6
7			x	7
8 8	2	6	478	8
9 73	47	26	2,137	9
10 67	32	35	2,660	10
11	1	(1)	97	11
12 17	3	14	1,028	12
13			58	13
14	27	(27)	537	14
15			(19)	15
16			(31)	16
17			(18)	17
18			(31)	18
19			x	19
20			x	20
21			x	21
22			13	22
23 523	12	511	890	23
24 6		6	2,643	24
25			x	25
26			2	26
27				27
28			(1)	28
29			1,290	29
30			(1)	30
31			x	31
32 744	(2) 5	(5)	(3) (5)	32
33	132	612	18,802	33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41			x	41
42				42
43				43
44 744	132	612	x	44
45			18,802	45
46			x	46
47 (703)		(703)	513	47
48 41	132	(91)	19,315	48

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

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

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

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

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

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

6. Thousand dollar Reporting Rule.

Line No.	Account	Balance at beginning of year	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year
			Charges to operating expenses	Other credits	Retirements	Other debits	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	ROAD						
1	(1) Engineering	2,078	46		41		2,083
2	(3) Grading	4,180	146		13		4,313
3	(4) Other, right-of-way	112	7		x		119
4	(5) Tunnels and subways	1,775	51		x		1,826
5	(6) Bridges, trestles, and culverts	41,932	1,642		286		43,288
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	1,726	52		17		1,761
8	(16) Station and office buildings	9,009	487	153 [#]	817		8,832
9	(17) Roadway buildings	426	79	42*	11		536
10	(18) Water stations	134	8		5		137
11	(19) Fuel stations	930	54		14		970
12	(20) Shops and enginehouses	5,195	533		59		5,669
13	(22) Storage warehouses		x		x		
14	(23) Wharves and docks	168	18		x		186
15	(24) Coal and ore wharves	5	x		x		5
16	(25) TOFC/COFC terminals	525	70		4		591
17	(26) Communication systems	5,307	393		127		5,573
18	(27) Signals and interlockers	16,759	1,198		554		17,403
19	(29) Power plants	120	2		x		122
20	(31) Power-transmission systems	1,260	54				1,314
21	(35) Miscellaneous structures	351	24		x		375
22	(37) Roadway machines	7,769	828		373		8,224
23	(39) Public improvements—Construction	2,281	106		7		2,380
24	(44) Shop machinery*	4,564	370		85		4,849
25	(45) Power plant machinery*	131	8		x		139
26	All other road accounts						
27	Amortization (other than defense projects)	2,329	x	x	x	(184) @	2,513
28	Total road	109,056	6,176	195	2,413	(184)	113,198
	EQUIPMENT						
29	(52) Locomotives	100,340	7,556		2,705		105,191
30	(53) Freight-train cars	249,486	31,392		19,326	72,109	259,443
31	(54) Passenger-train cars	90					90
32	(55) Highway revenue equipment						
33	(56) Floating equipment						
34	(57) Work equipment	4,645	326		113		4,858
35	(58) Miscellaneous equipment	2,627	93	1*	26		2,695
36	Total equipment	357,188	39,367	1	22,170	2,109	372,277
37	GRAND TOTAL	466,244	45,543	196	24,583	1,925	485,475

See Page 33 for notes

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

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

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

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

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

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

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

7. Report dollars in thousands.

Line No.	Class (See Ins. 2)	Name of company	Miles of road owned (See Ins. 4)	Investments in property (See Ins. 5)	Depreciation and amortization of defense projects (See Ins. 6)
	(a)	(b)	(c)	(d)	(e)
1	R	Louisville & Nashville R.R. Co.	5,949.07	\$ 1,688,072	\$ 492,730
2					
3	L	Nashville & Decatur R.R. Co.	133.60	3,851	97
4	L	Louisville, Henderson & St. Louis Rwy. Co.	136.96	10,826	1,759
5	L	Glasgow Ry. Co.	10.23	405	27
6	L	Western & Atlantic R.R. Co.	134.25	7,915	713
7					
8		Total	415.04	22,997	2,596
9					
10	P	U.S. Pipe & Foundry Co. (VS 43A-Ala)		14	
11	P	Track for Union Ky. (Pt. VS 96-Tenn.)		16	
12	P	Clarksville & Princeton Branch-Illinois			
13		Central R.R. Co. (VS 92 - Ky.)	20.68	324	
14	P	Tracks at Covington, Ky.-The Covington &			
15		Cincinnati Elevated Railroad		148	40
16		Transfer & Bridge Co. (VS 73-C)	.65		
17	P	Tracks at Paducah, Ky.-Paducah &			
18		Illinois R.R. (Pt. VS 93)		13	
19	P	Main Track Dalton Ga.-Southern Rwy. Co.			
20		(Pt. VS 302)		12	
21					
22		Total	21.33	527	40
23					
24	O	Aluminum Co. of America-Tracks at			
25		Alcoa, Tenn. (Pt. VS 29)		13	
26	O	United States Steel Co.-Property at			
27		Lynch, Ky. (Pt. V.S. 89F)	1.89	156	30
28	O	Southern Ry. Co. - Land at Atlanta,			
29		Ga. (Pt. VS 301)		5	
30					
31		Total	1.89	174	30
32					
33		Total	6,387.33	1,711,770	495,396
34					
35		Deduct:			
36		Property owned but not used-leased to			
37		others	21.33	527	40
38					
39		TOTAL	6,366.00	1,711,243	495,356

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

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

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

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

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

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

5. Report dollars in thousands.

Line No.	Account (a)	Respondent (b)	Lessor railroads (c)	Inactive (proprietary companies) (d)	Other leased properties (e)
		\$	\$	\$	\$
1	(1) Engineering	6,704	433	5	2
2	(2) Land for transportation purposes	23,401	425	49	9
3	(3) Grading	148,889	5,988	77	50
4	(4) Other right-of-way expenditures	405	6		
5	(5) Tunnels and subways	11,415	179		
6	(6) Bridges, trestles, and culverts	103,012	4,365	21	20
7	(7) Elevated structures				
8	(8) Ties	29,033	1,153	33	10
9	(9) Rails	70,654	2,623	60	19
10	(10) Other track material	65,032	1,662	23	7
11	(11) Ballast	28,488	1,940	24	3
12	(12) Track laying and surfacing	39,001	1,560	28	11
13	(13) Fences, snowsheds, and signs	2,679	121	4	
14	(16) Station and office buildings	31,319	644	5	31
15	(17) Roadway buildings	4,657	75	4	
16	(18) Water stations	214	38	1	3
17	(19) Fuel stations	1,777	23		6
18	(20) Shops and enginehouses	27,496	76		
19	(22) Storage warehouses				
20	(23) Wharves and docks	897			
21	(24) Coal and ore wharves				
22	(25) TOFC/COFC terminals	2,214	67		
23	(26) Communication systems	17,748	196		
24	(27) Signals and interlockers	51,146	1,031	19	
25	(29) Power plants	177			
26	(31) Power-transmission systems	2,507	3		
27	(35) Miscellaneous structures	1,092			
28	(37) Roadway machines	13,611	1		
29	(39) Public improvements—Construction	10,439	167	38	
30	(44) Shop machinery	9,819	1		
31	(45) Power-plant machinery	470			
32	Leased property capitalized rentals (explain)	(5)	5		
33	Other (specify & explain)				
34	Total expenditures for road	704,291	22,782	391	171
35	(52) Locomotives	169,474			
36	(53) Freight-train cars	775,343			
37	(54) Passenger-train cars				
38	(55) Highway revenue equipment				
39	(56) Floating equipment				
40	(57) Work equipment	7,657			
41	(58) Miscellaneous equipment	2,483			
42	Total expenditures for equipment	954,957			
43	(76) Interest during construction		661		2
44	(77) Other expenditures—General		158		1
45	Total general expenditures		819		3
46	Total	1,659,248	23,601	391	174
47	(80) Other elements of investment	(19,223)	(751)	136	
48	(90) Construction work in progress	48,047	147		
49	Grand Total	1,688,072	22,997	527	174

339. OTHER ELEMENTS OF INVESTMENT

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

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

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

(Dollars in thousands)

Line No.	Item (a)	Contra account number (b)	Charges during the year (c)	Credits during the year (d)
1	Clear an equitable portion of Acct. 80 base on		\$	\$
2				
3	retirements of non-depreciable property	519	330	x
4				
5				
6				
7				
8				
9				
10				
11				
12				
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45				
46				
47				
48				
49				
50	TOTALS	X X X	330	x
51	NET CHANGES	X X X	330	x

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

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

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

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

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

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

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

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

Line No.	(Dollars in thousands) Account (a)	DEPRECIATION BASE		Annual composite rate (percent) (d)
		Beginning of year (b)	Close of year (c)	
	ROAD	\$	\$	\$
1	(1) Engineering	3	3	2.30
2	(3) Grading			
3	(4) Other right-of-way expenditures			
4	(5) Tunnels and subways			
5	(6) Bridges, trestles, and culverts			
6	(7) Elevated structures			
7	(13) Fences, snowsheds, and signs			
8	(16) Station and office buildings			
9	(17) Roadway buildings			
10	(18) Water stations			
11	(19) Fuel stations			
12	(20) Shops and enginehouses			
13	(22) Storage warehouses			
14	(23) Wharves and docks			
15	(24) Coal and ore wharves			
16	(25) TOI C/COFC terminals			
17	(26) Communication systems			
18	(27) Signals and interlockers	19	19	2.95
19	(29) Power plants			
20	(31) Power transmission systems			
21	(35) Miscellaneous structures			
22	(37) Roadway machines			
23	(39) Public improvements—Construction	30	30	1.65
24	(44) Shop machinery			
25	(45) Power-plant machinery			
26	All other road accounts			
27	Total road	52	52	2.16
	EQUIPMENT			
28	(52) Locomotives			
29	(52) Freight-train cars			
30	(54) Passenger-train cars			
31	(55) Highway revenue equipment			
32	(56) Floating equipment			
33	(57) Work equipment			
34	(58) Miscellaneous equipment			
35	Total equipment			
36	GRAND TOTAL	52	52	X X X X

342. ACCUMULATED DEPRECIATION—ROAD AND EQUIPMENT LEASED TO OTHERS

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

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

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

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

5. Thousand dollar Reporting Rule.

Line No.	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the Year		DEBITS TO RESERVE During the Year		Balance at close of year (g)
			Charges to others (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD	\$ 2	\$	\$	\$	\$	\$ 2
1	(1) Engineering						
2	(3) Grading						
3	(4) Other right-of-way expen.						
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts						
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs						
8	(16) Station and office buildings						
9	(17) Roadway buildings						
10	(18) Water stations						
11	(19) Fuel stations						
12	(20) Shops and enginehouses						
13	(22) Storage warehouses						
14	(27) Wharves and docks						
15	(24) Coal and ore wharves						
16	(25) FGEC/COFC terminals						
17	(32) Communications systems						
18	(27) Signals and interlockers	19	1				20
19	(29) Power plants						
20	(31) Power-transmission systems						
21	(35) Miscellaneous structures						
22	(37) Roadway machines						
23	(39) Public improvements—Construction	18					18
24	(44) Shop machinery						
25	(45) Power-plant machinery						
26	All other road accounts						
27	Total road	39	1				40
	EQUIPMENT						
28	(52) Locomotives						
29	(53) Freight-train cars						
30	(54) Passenger-train cars						
31	(55) Highway revenue equipment						
32	(56) Floating equipment						
33	(57) Work equipment						
34	(58) Miscellaneous equipment						
35	Total equipment						
36	GRAND TOTAL	39	1				40

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

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

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

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

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

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

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

Line No.	(Dollars in thousands) Account (a)	OWNED AND USED			LEASED FROM OTHERS		
		Depreciation Base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)
		At beginning of year (b)	At close of year (c)		At beginning of year (e)	At close of year (f)	
	ROAD	\$	\$	%	\$	\$	%
1	(1) Engineering	4,352	4,515	1.02	303	303	1.19
2	(3) Grading	7,098	7,472	1.96	198	198	1.18
3	(4) Other right-of-way expenditures	355	355	2.00	4	4	3.00
4	(5) Tunnels and subways	4,756	4,756	1.08	137	137	.95
5	(6) Bridges, trestles, and culverts	97,976	99,818	1.65	431	4385	1.62
6	(7) Elevated structures						
7	(13) Fences, snowsheds, and signs	2,612	2,611	2.00	120	120	4.63
8	(16) Station and office buildings	30,145	30,665	1.69	730	675	1.92
9	(17) Roadway buildings	4,664	4,678	2.58	75	75	1.96
10	(18) Water stations	243	238	3.33	41	41	2.73
11	(19) Fuel stations	1,670	1,744	3.16	28	28	2.29
12	(20) Shops and enginehouses	23,833	27,503	2.04	77	77	2.33
13	(22) Storage warehouses						
14	(23) Wharves and docks	896	896	2.00			
15	(24) Coal and ore wharves						
16	(25) T-DFC/COFC terminals	1,860	2,201	3.33	67	67	3.43
17	(26) Communications systems	14,295	16,785	2.74	195	196	3.15
18	(27) Signals and interlockers	46,389	47,367	2.53	1032	1031	2.90
19	(29) Power plants	158	177	1.79			
20	(31) Power transmission systems	1,873	2,504	2.33	3	3	3.35
21	(35) Miscellaneous structures	564	1,088	2.56			
22	(37) Roadway machines	13,359	13,623	6.20	1	1	6.65
23	(39) Public improvements—Construction	6,201	6,294	1.69	103	103	1.67
24	(44) Shop machinery	9,250	9,742	3.84	x	x	x
25	(45) Power plant machinery	386	469	2.00			
26	All other road accounts	x	x	x			
27	Amortization (other than defense projects)						
28	Total road	272,935	285,501	2.19	7431	7444	1.91
	EQUIPMENT						
29	(52) Locomotives	168,320	169,336	4.46	*Includes amounts on which accruals discontinued (Cir 146 AMTRAK)		
30	(53) Freight train cars	798,615	775,068	4.05			
31	(54) Passenger train cars				Acct.	1	16
32	(55) Highway revenue equipment				Col.b	44	3694
33	(56) Floating equipment				Col.c	29	3173
34	(57) Work equipment	7,696	7,564	4.31			
35	(58) Miscellaneous equipment	2,465	2,483	8.42			
36	Total equipment	977,096	954,450	4.13			
37	GRAND TOTAL	1,250,031	1,239,951	3.69	7431	7444	1.91

*Includes \$1374 fully depreciated—Accruals discontinued

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

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

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

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

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

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

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

Line No.	(Dollars in thousands) Account (a)	Depreciation base		Annual composite rate (percent) (d)
		At beginning of year (b)	At close of year (c)	
	ROAD	\$	\$	%
		* 179	* 181	1.30
1	(1) Engineering	68	69	1.11
2	(3) Grading			3.05
3	(4) Other right-of-way expenditures	251	251	.95
4	(5) Tunnels and subways	2,340	2,379	1.34
5	(6) Bridges, trestles and culverts			
6	(7) Elevated structures	59	59	3.48
7	(13) Fences, snowsheds, and signs	* 573	* 545	1.96
8	(16) Station and office buildings	(23)	(23)	1.79
9	(17) Roadway buildings	(31)	(31)	2.80
10	(18) Water stations	(18)	(18)	2.31
11	(19) Fuel stations	(31)	(31)	2.29
12	(20) Shops and enginehouses			
13	(22) Storage warehouses			
14	(23) Wharves and docks			
15	(24) Coal and ore wharves	13	13	4.04
16	(25) TOFC/COFC terminals	381	892	2.52
17	(26) Communications systems	2,467	2,472	3.03
18	(27) Signals and interlockers			
19	(29) Power plants	2	2	3.10
20	(31) Power transmission systems			3.40
21	(35) Miscellaneous structures	(1)	(1)	6.65
22	(37) Roadway machines	1,166	1,166	1.52
23	(39) Public improvements-Construction	x	x	-
24	(44) Shop machinery			
25	(45) Power plant machinery			
26	All other road accounts			
27	Amortization (other than defense projects)	7,395	7,925	2.06
28	Total road			
	EQUIPMENT			
29	(52) Locomotives	* Includes amounts on which accruals have been discontinued per Circular 146 (AMIRAP)		
30	(53) Freight-train cars	146 (AMIRAP)	Acct. 1	16
31	(54) Passenger-train cars		Col.b 1	35
32	(55) Highway revenue equipment		Col.c 1	35
33	(56) Floating equipment			
34	(57) Work equipment			
35	(58) Miscellaneous equipment			
36	Total equipment			
37	GRAND TOTAL	7,395	7,925	2.06

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

1. Enter the required information concerning debits and credits to Account 737, "Accumulated depreciation-improvements on leased property," during the year relating to improvements made to road and equipment property leased from others, the depreciation charges for which are included in operating expenses of the respondent.

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

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

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

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

6. Thousand dollar Reporting Rule.

Line No.	Account	Balance at beginning of year	CREDITS TO RESERVE During the Year		DEBITS TO RESERVE During the Year		Balance at close of year
			Charges to others	Other credits	Retirements	Other debits	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering	72	2				74
2	(3) Grading	50	1				51
3	(4) Other right-of-way expen.						
4	(5) Tunnels and subways	97	2				99
5	(6) Bridges, trestles, and culverts	954	32				986
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	118	2				120
8	(16) Station and office buildings	282	11		12		281
9	(17) Roadway buildings	(18)	(1)				(19)
10	(18) Water stations	(3)	(1)				(4)
11	(19) Fuel stations	x	(1)				(1)
12	(20) Shops and enginehouses	1					1
13	(22) Storage warehouses						
14	(23) Wharves and docks						
15	(24) Coal and ore wharves						
16	(25) TOFC/COFC terminals	4	1				5
17	(26) Communication systems	210	22		12		220
18	(27) Signals and interlockers	1,111	75				1,186
19	(29) Power plants						
20	(31) Power-transmission systems	2					2
21	(35) Miscellaneous structures						
22	(37) Roadway machines	x	(1)				(1)
23	(39) Public improvements-Construction	214	18				232
24	(44) Shop machinery						
25	(45) Power-plant machinery	(2)					(2)
26	All other road accounts						
27	Total road	3,092	162		24		3,230
	EQUIPMENT						
28	(52) Locomotives						
29	(53) Freight-train cars						
30	(54) Passenger-train cars						
31	(55) Highway revenue equipment						
32	(56) Floating equipment						
33	(57) Work equipment						
34	(58) Miscellaneous equipment						
35	Total equipment						
36	GRAND TOTAL	3,092	162		24		3,230

355. ACCRUED LIABILITY - LEASED PROPERTY

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

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

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

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

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

6. Dollars in thousands.

Line No.	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the Year		DEBITS TO RESERVE During the Year		Balance at close of year (g)
			Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	
		\$	\$	\$	\$	\$	\$
	ROAD						
1	(1) Engineering	39	3		3		39
2	(3) Grading	28	2				30
3	(4) Other right-of-way expen.	2					2
4	(5) Tunnels and subways	4	2				6
5	(6) Bridges, trestles, and culverts	1,174	71		1	1	1,243
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	85	6				91
8	(16) Station and office buildings	17	12		50		(21)
9	(17) Roadway buildings	(5)	2				(3)
10	(18) Water stations	5	1				6
11	(19) Fuel stations	7	1				8
12	(20) Shops and enginehouses	4	1				5
13	(22) Storage warehouses						
14	(23) Wharves and docks						
15	(24) Coal and ore wharves						
16	(25) TOFC/COFC terminals	34	2	8			44
17	(26) Communication systems	87	7		1		93
18	(27) Signals and interlockers	527	30		3		554
19	(29) Power plants						
20	(31) Power-transmission systems	6		1			7
21	(35) Miscellaneous structure	1					1
22	(37) Roadway machines	1	1				2
23	(39) Public improvements—Construction	23	1				24
24	(44) Shop machinery						
25	(45) Power-plant machinery						
26	All other road accounts						
27	Amortization (other than defense projects)						
28	Total road	2,039	142	9 *	58	1 @	2,131
	EQUIPMENT						
29	(52) Locomotives						
30	(53) Freight-train cars						
31	(54) Passenger-train cars						
32	(55) Highway revenue equipment						
33	(56) Floating equipment						
34	(57) Work equipment						
35	(58) Miscellaneous equipment						
36	Total equipment						
37	GRAND TOTAL	2,039	142	9 *	58	1 @	2,131

* Deprn. on Property North of Dolton Jct. charged to Acct. 278
@ Deprn. on Glasgow Ry. charged to Acct. 266, Cr. to Acct. 754

360. LEASES—GENERAL INSTRUCTIONS AND DEFINITIONS

A. General Instructions

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

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

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

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

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

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

B. Definitions

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

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

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

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

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

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

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

361. CAPITALIZED CAPITAL LEASES

PART I. PRESENT VALUE OF MINIMUM LEASE PAYMENTS

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

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

1979

Line No.	Item (a)	Current year (b)	Year 2 (c)	Year 3 (d)	Year 4 (e)	Year 5 (f)	Later Years (g)	Total (h)
1	Lease payments	\$ 5,440	\$ 5,440	\$ 5,395	\$ 4,128	\$ 3,622	\$ 8,771	\$ 32,796
	Less: Executory costs:							
2	- Taxes							
3	- Maintenance							
4	- Insurance							
5	- Other							
6	Total executory costs (2-5)							
7	Minimum lease payments (1, 6)							
8	Less: Amount representing interest	2,046	1,763	1,455	1,150	888	1,363	8,665
9	Present value of minimum lease payments (line 7, 8)	\$ 3,394	\$ 3,677	\$ 3,940	\$ 2,978	\$ 2,734	\$ 7,408	\$ 24,131

PART II. TOTAL RENTAL EXPENSES

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

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

Line No.	Item (a)	Current year (b)	Year 2 (c)	Year 3 (d)	Year 4 (e)	Year 5 (f)	Later years (g)	Total (h)
10	Present value of minimum lease payments from Part I above	\$ 24,131	XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
11	Contingent rentals		XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
12	Minimum noncancelable sublease rentals		XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
13	Net rental expense	24,131	XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX

PART III. CLASSES OF CAPITAL LEASES

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

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

Line No.	Classes of leased property (a)	Present value	
		Current year (b)	Prior year (c)
14	Structures	Not Applicable - Present value of minimum lease commitments does not exceed 5% of sum of long-term debt due after one year.	
15	Revenue equipment		
16	Shop and garage equipment		
17	Service cars and equipment		
18	Noncarrier operating property		
19	Other: (Specify)		
20			
21	Gross capitalized assets		
22	Less: Accumulated amortization		
23	Net capitalized lease assets		

362. NONCAPITALIZED CAPITAL LEASES

PART I. PRESENT VALUE OF MINIMUM LEASE PAYMENTS

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

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

Line No.	Item (a)	Current year (b)	Year 2 (c)	Year 3 (d)	Year 4 (e)	Year 5 (f)	Later years (g)	Total (h)
1	Lease payments	\$	\$	\$	\$	\$	\$	\$
	Less: Executory costs:	Not applicable - All capital leases have been capitalized.						
2	- Taxes							
3	- Maintenance							
4	- Insurance							
5	- Other							
6	Total executory costs (2-5)							
7	Minimum lease payments (1-6)							
8	Less: Amount representing interest							
9	Present value of minimum lease payments (line 7, 8)							

PART II. TOTAL RENTAL EXPENSES

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

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

Line No.	Item (a)	Current year (b)	Year 2 (c)	Year 3 (d)	Year 4 (e)	Year 5 (f)	Later years (g)	Total (h)
		Not applicable - All capital leases have been capitalized.						
10	Present value of minimum lease payments from Part I above	\$	\$	\$	\$	\$	\$	\$
11	Contingent rentals		XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
12	Minimum noncancelable sublease rentals		XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
13	Net rental expense		XXXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX

362. NONCAPITALIZED CAPITAL LEASES—Continued

PART III. INCOME IMPACT

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

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

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

Line No.	Item (a)	Current year (b)	Prior year (c)
14	Amortization of lease rights	\$	\$
15	Interest		
16	Rent expense		
17	Income tax expense		
18	Impact (reduction) on net income		

Not Applicable - All capital leases have been capitalized.

PART IV. CLASSES OF CAPITAL LEASES

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

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

Line No.	Classes of leased property (a)	Present value	
		Current year (b)	Prior year (c)
19	Structures	\$	\$
20	Revenue equipment		
21	Shop and garage equipment		
22	Service cars and equipment		
23	Noncarrier operating property		
24	Other: (Specify)		
25			
26			

Not applicable - All capital leases have been capitalized.

363. OPERATING LEASES

PART I. FUTURE MINIMUM RENTAL PAYMENTS

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

Line No.	Items (a)	1979 Current year (b)	Year 2 (c)	Year 3 (d)	Year 4 (e)	Year 5 (f)	Later years (g)	Total (h)
1	Minimum lease payments required	\$ 37,921	\$ 37,661	\$ 37,612	\$ 35,839	\$ 25,672	\$ 314,114	\$ 488,819
2	Minimum noncancelable sublease rentals							
3	Net minimum lease payments	\$ 37,921	\$ 37,661	\$ 37,612	\$ 35,839	\$ 25,672	\$ 314,114	\$ 488,819

PART II. TOTAL RENTAL

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

Line No.	Expenses (a)	Current year (b)	Prior year (c)
4	Minimum lease payments required	\$ 33,398	\$ 22,457
5	Contingent rentals	313	966
6	Less: Sublease rentals		
7	Total rental expense	\$ 33,711	\$ 23,423

364. LESSEE DISCLOSURE

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

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

Line
No.

(a) Rental payments dependent upon lapse of time.

(b) Lease renewal option included are generally based upon the "Fair Market Rental" at the expiration of lease. Purchase options include right of first refusal at prices as designated by the lessor, or as in certain agreements the "Fair Market Value" at the expiration of the lease.

(c) Respondent is guarantor of debt under fourteen (14) long-term leases wherein the respondent is lessee. The aggregate obligation under these arrangements was \$103 million at December 31, 1978.

(d) None

(e) None

370. ITEMS IN SELECTED CURRENT LIABILITY ACCOUNTS

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

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

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

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

Line No.	Account No. (a)	Item (b)	Amount (c)
1	759	Estimated equipment rental payable	\$ 24,588
2		Estimated casualty and other claims payable within one year	23,614
3		Estimated amounts payable for employees vacation	17,926
4			
5	763	Unreported waybills - prepay	28,037
6		Reserve for severance and protective payments to employees	(561)
7		Deposits for non-refund track construction	295
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379. OTHER LONG-TERM LIABILITIES AND OTHER DEFERRED CREDITS

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

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

Line No.	Account No. (a)	Item (b)	Amount (c)
1	774	Reserve for Injuries to Persons	\$ 11,709
2		Reserve for Loss and Damage - Freight Claims	2,698
3		Reserve for Overcharge Freight Claims	2,186
4		Reserve for Damage to Property	1,591
5			
6			
7			
8	775	Accruals for Prior Years' Federal Income Taxes and Interest	10,818
9			
10			
11			
12	782	Accrued Amortization of Improvements on Leased Property - Western and Atlantic Railroad	5,002
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410. RAILWAY OPERATING EXPENSES

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

Line No.	Name of railway operating expense account	Freight					Passenger	Total
		Salaries and wages	Material, tools, supplies, fuels, and lubricants	Purchased services	General	Total freight expense		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		\$	\$	\$	\$	\$	\$	\$
	WAY AND STRUCTURES:							
	ADMINISTRATION:							
1	Track	4,834	237	171	838	6,080		6,080
2	Bridge and Building	728	49	21	170	968		968
3	Signal	556	35	13	81	685		685
4	Communication	440	20	8	47	515		515
5	Other	1,719	206	79	417	2,421		2,421
	REPAIR AND MAINTENANCE:							
6	Roadway - Running	1,492	117	1,805	68	3,482		3,482
7	Roadway - Switching	221	20	142	10	393		393
8	Tunnels and Subways - Running	49	4		2	55		55
9	Tunnels and Subways - Switching	4				4		4
10	Bridges and Culverts - Running	1,876	944	242	351	3,413		3,413
11	Bridges and Culverts - Switching	50			10	60		60
12	Ties - Running	N/A	10,112	N/A	N/A	10,112		10,112
13	Ties - Switching	N/A	1,139	N/A	N/A	1,139		1,139
14	Rail - Running	N/A	3,702	N/A	N/A	3,702		3,702
15	Rail - Switching	N/A	624	N/A	N/A	624		624
16	Other Track Material - Running	N/A	5,390	N/A	N/A	5,390		5,390
17	Other Track Material - Switching	N/A	819	N/A	N/A	819		819
18	Ballast - Running	N/A	2,014	N/A	N/A	2,014		2,014
19	Ballast - Switching	N/A	106	N/A	N/A	106		106
20	Track laying and surfacing - Running	20,505	142	646	1,520	22,813		22,813
21	Track laying and surfacing - Switching	4,238	30	102	320	4,690		4,690
22	Road Property Damaged - Running	1,346	903	165		2,414		2,414
23	Road Property Damaged - Switching	668	318	31		1,017		1,017
24	Road Property Damaged - Other	33	9	3		45		45
25	Signals and Interlockers - Running	2,313	1,558	36	537	4,444		4,444
26	Signals and Interlockers - Switching	302	161	25	72	560		560
27	Communications Systems	1,036	390	12	296	1,734		1,734
28	Electric Power Systems							
29	Highway Grade Crossings - Running	368	360	662	22	1,412		1,412
30	Highway Grade Crossings - Switching	38	6	36	2	82		82
31	Station and Office Buildings	910	360	475	80	1,825		1,825
32	Shop Buildings - Locomotives	311	401	170	2	884		884
33	Shop Buildings - Freight Cars	256	287	44	2	589	N/A	589
34	Shop Buildings - Other Equipment	654	176	231	4	1,065		1,065

410. RAILWAY OPERATING EXPENSE - Continued

Line No.	Name of railway operating expense account	Freight				Passenger	Total
		Salaries and wages	Materials, tools, supplies, fuels, and lubricants	Purchased services	General		
	(a)	(b)	(c)	(d)	(e)	(f)	(h)
		\$	\$	\$	\$	\$	\$
	WAY AND STRUCTURES - Continued:						
	REPAIR AND MAINTENANCE - Continued:						
101	Locomotive Servicing Facilities	75	148	113	1	337	337
102	Miscellaneous Buildings and Structures	243	155	48	5	451	451
103	Coal Terminals					N/A	
104	Ore Terminals					N/A	
105	Other Marine Terminals	1				N/A	1
106	TOFC/COFC - Terminals	60	78	28		N/A	166
107	Motor Vehicle Loading and Distribution Facilities	8	20	57		N/A	85
108	Facilities for Other Specialized Service Operations					N/A	
109	Roadway Machines	1,385	5,979	1,556	324	6,244	6,244
110	Small Tools and Supplies	2	3,162	141	25	3,330	3,330
111	Snow Removal	1,044	103	83	15	1,245	1,245
112	Fringe Benefits - Running	N/A	N/A	N/A	6,881	6,881	6,881
113	Fringe Benefits - Switching	N/A	N/A	N/A	1,313	1,313	1,313
114	Fringe Benefits - Other	N/A	N/A	N/A	4,691	4,691	4,691
115	Casualties and Insurance - Running	N/A	N/A	N/A	1,636	1,636	1,636
116	Casualties and Insurance - Switching	N/A	N/A	N/A	314	314	314
117	Casualties and Insurance - Other	N/A	N/A	N/A	2,677	2,677	2,677
118	Lease Rentals - Debit - Running	N/A	N/A	3,255	N/A	3,255	3,255
119	Lease Rentals - Debit - Switching	N/A	N/A	(1)	N/A	(1)	(1)
120	Lease Rentals - Debit - Other	N/A	N/A	25	N/A	25	25
121	Lease Rentals - (Credit) - Running	N/A	N/A	(17)	N/A	(17)	(17)
122	Lease Rentals - (Credit) - Switching	N/A	N/A	(1)	N/A	(1)	(1)
123	Lease Rentals - (Credit) - Other	N/A	N/A	(7)	N/A	(7)	(7)
124	Joint Facility Rent - Debit - Running	N/A	N/A	804	N/A	804	804
125	Joint Facility Rent - Debit - Switching	N/A	N/A	1,195	N/A	1,195	1,195
126	Joint Facility Rent - Debit - Other	N/A	N/A	398	N/A	398	398
127	Joint Facility Rent - (Credit) - Running	N/A	N/A	(943)	N/A	(943)	(943)
128	Joint Facility Rent - (Credit) - Switching	N/A	N/A	(714)	N/A	(714)	(714)
129	Joint Facility Rent - (Credit) - Other	N/A	N/A	(119)	N/A	(119)	(119)
130	Other Rents - Debit - Running	N/A	N/A		N/A		
131	Other Rents - Debit - Switching	N/A	N/A		N/A		
132	Other Rents - Debit - Other	N/A	N/A		N/A		
133	Other Rents - (Credit) - Running	N/A	N/A		N/A		
134	Other Rents - (Credit) - Switching	N/A	N/A		N/A		
135	Other Rents - (Credit) - Other	N/A	N/A		N/A		
136	Depreciation - Running	N/A	N/A	N/A	3,384	3,384	3,384
137	Depreciation - Switching	N/A	N/A	N/A			
138	Depreciation - Other	N/A	N/A	N/A	2,726	2,726	2,726
139	Joint Facility - Debit - Running	N/A	N/A	1,695	N/A	1,695	1,695
140	Joint Facility - Debit - Switching	N/A	N/A	2,316	N/A	2,316	2,316
141	Joint Facility - Debit - Other	N/A	N/A	206	N/A	206	206
142	Joint Facility - (Credit) - Running	N/A	N/A	(1,497)	N/A	(1,497)	(1,497)
143	Joint Facility - (Credit) - Switching	N/A	N/A	(797)	N/A	(797)	(797)
144	Joint Facility - (Credit) - Other	N/A	N/A	(26)	N/A	(26)	(26)
145	Dismantling Retired Road Property - Running	231	1	185	5	422	422
146	Dismantling Retired Road Property - Switching	69		163	1	233	233
147	Dismantling Retired Road Property - Other	19		49		68	68
148	Other - Running	1	8	14	989	1,012	1,012
149	Other - Switching			152	69	194	194
150	Other - Other	109	49	56	164	378	378
151	Total Way and Structures	48,194	37,342	13,510	30,064	129,110	129,110

410. RAILWAY OPERATING EXPENSE - Continued

Line No.	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)
		Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)		
	EQUIPMENT:	\$	\$	\$	\$	\$	\$	\$
	LOCOMOTIVES:							
201	Administration	1,429	86	70	231	1,816		1,816
202	Repair and Maintenance	19,097	14,706	9,019	64	42,886		42,886
203	Machinery Repair	503	410	30		943		943
204	Equipment Damaged	44	851	14	59	968		968
205	Fringe Benefits	N/A	N/A	N/A	3,969	3,969		3,969
206	Other Casualties and Insurance	N/A	N/A	N/A	1,403	1,403		1,403
207	Lease Rentals - Debit	N/A	N/A	8,310	N/A	8,310		8,310
208	Lease Rentals - (Credit)	N/A	N/A		N/A			
209	Joint Facility Rent - Debit	N/A	N/A	36	N/A	36		36
210	Joint Facility Rent - (Credit)	N/A	N/A		N/A			
211	Other Rents - Debit	N/A	N/A	6,883	N/A	6,883		6,883
212	Other Rents - (Credit)	N/A	N/A	(468)	N/A	(468)		(468)
213	Depreciation	N/A	N/A	N/A	7,556	7,556		7,556
214	Joint Facility - Debit	N/A	N/A	1,148	N/A	1,148		1,148
215	Joint Facility - (Credit)	N/A	N/A		N/A			
216	Repairs Billed to Others - (Credit)	N/A	N/A		N/A			
217	Dismantling Retired Property				N/A			
218	Other	3	2	65	21	91		91
219	Total Locomotives	21,076	16,055	25,107	13,303	75,541		75,541
	FREIGHT CARS:							
220	Administration	1,685	92	74	257	2,108	N/A	2,108
221	Repair and Maintenance	19,997	14,039	18,954	425	53,415	N/A	53,415
222	Machinery Repair	25	239	31		295	N/A	295
223	Equipment Damaged	44	15	821	3,763	4,643	N/A	4,643
224	Fringe Benefits	N/A	N/A	N/A	4,165	4,165	N/A	4,165
225	Other Casualties and Insurance	N/A	N/A	N/A	10,084	10,084	N/A	10,084
226	Lease Rentals - Debit	N/A	N/A	10,185	N/A	10,185	N/A	10,185
227	Lease Rentals - (Credit)	N/A	N/A	(54)	N/A	(54)	N/A	(54)
228	Joint Facility Rent - Debit	N/A	N/A	37	N/A	37	N/A	37
229	Joint Facility Rent - (Credit)	N/A	N/A		N/A		N/A	
230	Other Rents - Debit	N/A	N/A	107,996	N/A	107,996	N/A	107,996
231	Other Rents - (Credit)	N/A	N/A	(74,235)	N/A	(74,235)	N/A	(74,235)
232	Depreciation	N/A	N/A	N/A	31,390	31,390	N/A	31,390
233	Joint Facility - Debit	N/A	N/A	469	N/A	469	N/A	469
234	Joint Facility - (Credit)	N/A	N/A	(486)	N/A	(486)	N/A	(486)
235	Repairs Billed to Others - (Credit)	N/A	N/A	(14,404)	N/A	(14,404)	N/A	(14,404)
236	Dismantling Retired Property	9	1			10	N/A	10
237	Other	3	2	67	14	86	N/A	86
238	Total Freight Cars	21,763	14,388	49,455	50,098	135,704	N/A	135,704

Revised Table for Table 1

410. RAILWAY OPERATING EXPENSE - Continued

Line No.	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)
		Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)		
	EQUIPMENT - Continued:	\$	\$	\$	\$	\$	\$	\$
	OTHER EQUIPMENT:	145	8	8	23	184		184
301	Administration							
	Repair and Maintenance:							
302	Trucks, Trailers, and Containers - Revenue Service			930		930	N/A	930
303	Floating Equipment - Revenue Service						N/A	
304	Passenger and Other Revenue Equipment							
305	Computers and Data Processing Systems			17		17		17
306	Machinery	1,211	192	18	1	1,422		1,422
307	Work and Other Non-Revenue Equipment	1,061	803	2,233	7	4,104		4,104
308	Equipment Damaged	1	8		455	464		464
309	Fringe Benefits	N/A	N/A	N/A	443	443		443
310	Other Casualties and Insurance	N/A	N/A	N/A	380	380		380
311	Lease Rentals - Debit	N/A	N/A	10,190	N/A	10,190		10,190
312	Lease Rentals - (Credit)	N/A	N/A	(13)	N/A	(13)		(13)
313	Joint Facility Rent - Debit	N/A	N/A	5	N/A	5		5
314	Joint Facility Rent - (Credit)	N/A	N/A		N/A			
315	Other Rents - Debit	N/A	N/A	9,174	N/A	9,174		9,174
316	Other Rents - (Credit)	N/A	N/A	(9,930)	N/A	(9,930)		(9,930)
317	Depreciation	N/A	N/A	N/A	942	942		942
318	Joint Facility - Debit	N/A	N/A	13	N/A	13		13
319	Joint Facility - (Credit)	N/A	N/A	(3)	N/A	(3)		(3)
320	Repairs Billed to Others - (Credit)	N/A	N/A		N/A			
321	Dismantling Retired Property							
322	Other			7	6	13		13
323	Total Other Equipment	2,418	1,011	12,668	2,257	18,354		18,354
324	Total Equipment	45,257	31,454	87,230	65,658	229,599		229,599

410. RAILWAY OPERATING EXPENSE - Continued

Line No.	Name of railway operating expense account	Freight					Passenger	Total
		Salaries and wages	Material, tools, supplies, fuels, and lubricants	Purchased services	General	Total freight expense		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	TRANSPORTATION:	\$	\$	\$	\$	\$	\$	\$
	TRAIN OPERATIONS:							
401	Administration	1,997-1992	58	58	355-249	2,468-2447		2,468-2447
402	Engine Crews	26,296	247	125	1,865	28,533		28,533
403	Train Crews	55,334	720	241	4,238	60,533		60,533
404	Dispatching Trains	3,556	3	42	131	3,732		3,732
405	Operating Signals and Interlockers	2,359	266	313	28	2,966		2,966
406	Operating Drawbridges	1,275	15	13	3	1,306		1,306
407	Highway Crossing Protection	331	1	13	1	346		346
408	Train Inspection and Lubrication	11,835	275	42		12,152		12,152
409	Locomotive Fuel	1,043-1053	59,528	134	16	60,705-60726		60,705-60726
410	Electric Power Purchased or Produced for Motive Power							
411	Servicing Locomotives	6,464	2,905	545	14	9,928		9,928
412	Freight Lost or Damaged - Solely Related	N/A	N/A	N/A				
413	Clearing Wrecks	2,286	526	3,564	41	6,417		6,417
414	Fringe Benefits	N/A	N/A	N/A	22,291	22,291		22,291
415	Other: Casualties and Insurance	N/A	N/A	N/A	7,622	7,622		7,622
416	Joint Facility - Debit	N/A	N/A	1,638	N/A	1,638		1,638
417	Joint Facility - (Credit)	N/A	N/A	(752)	N/A	(752)		(752)
418	Other	21	1	921	1,630	2,573		2,573
419	Total Train Operations	112,797	64,545	6,897	38,219	222,458		222,458
	YARD OPERATIONS:							
420	Administration	4,854-4852	82	99	593	5,628-5626		5,628-5626
421	Switch Crews	51,001	84	911	153	52,149		52,149
422	Controlling Operations	3,784	5	67	8	3,864		3,864
423	Yard and Terminal Clerical	11,942	16	205	577	12,740		12,740
424	Operating Switches, Signals, Retarders and Humps	1,873	114	29	473	2,489		2,489
425	Locomotive Fuel	115-121	6,326	5	1	6,451-6453		6,451-6453
426	Electric Power Purchased or Produced for Motive Power							
427	Servicing Locomotives	850	334	74	1	1,259		1,259
428	Freight Lost or Damaged - Solely Related	N/A	N/A	N/A				
429	Clearing Wrecks	354	72	173	5	604		604
430	Fringe Benefits	N/A	N/A	N/A	17,827	17,827		17,827
431	Other: Casualties and Insurance	N/A	N/A	N/A	3,859	3,859		3,859
432	Joint Facility - Debit	N/A	N/A	6,962	N/A	6,962		6,962
433	Joint Facility - (Credit)	N/A	N/A	(3,780)	N/A	(3,780)		(3,780)
434	Other	19		392	3	414		414
435	Total Yard Operations	74,796	7,033	5,137	23,500	110,466		110,466

410. RAILWAY OPERATING EXPENSE - Continued

Line No.	Name of railway operating expense account	Freight					Passenger	Total
		Salaries and wages	Material, tools, supplies, fuels, and lubricants	Purchased services	General	Total freight expense		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	TRANSPORTATION - Continued:	\$	\$	\$	\$	\$	\$	\$
	TRAIN AND YARD OPERATIONS COMMON:							
501	Cleaning Car Interiors	1,247	4	96	N/A	1,347		1,347
502	Adjusting and Transferring Loads	1,044		407	N/A	1,451	N/A	1,451
503	Car Loading Devices and Grain Doors	16	618	553	N/A	1,187	N/A	1,187
504	Freight Lost or Damaged - all other	N/A	N/A	N/A	13,219	13,219		13,219
505	Fringe Benefits	N/A	N/A	N/A	519	519		519
506	Total Train and Yard Operations Common	2,307	622	1,056	13,738	17,723		17,723
	SPECIALIZED SERVICE OPERATIONS:							
507	Administration						N/A	
508	Pickup & Delivery and Marine Line Haul			225		225	N/A	225
509	Loading & Unloading and Local Marine	65	8	2,215	31	2,319	N/A	2,319
510	Protective Services			621		621	N/A	621
511	Freight Lost or Damaged - Solely Related	N/A	N/A	N/A			N/A	
512	Fringe Benefits	N/A	N/A	N/A	16	16	N/A	16
513	Casualties and Insurance	N/A	N/A	N/A	17	17	N/A	17
514	Joint Facility - Debit	N/A	N/A	3	N/A	3	N/A	3
515	Joint Facility - (Credit)	N/A	N/A		N/A		N/A	
516	Other						N/A	
517	Total Specialized Services Operations	65	8	3,064	64	3,201	N/A	3,201
	ADMINISTRATIVE SUPPORT OPERATIONS:							
518	Administration	2,797	983	278	470	4,528		4,528
519	Employees Performing Clerical and Accounting Functions	11,074	203	749	316	12,342		12,342
520	Communication Systems Operation	1,916	913	666	23	3,518		3,518
521	Loss and Damage Claims Processing		5	10		15		15
522	Fringe Benefits	N/A	N/A	N/A	4,048	4,048		4,048
523	Casualties and Insurance	N/A	N/A	N/A	851	851		851
524	Joint Facility - Debit	N/A	N/A	368	N/A	368		368
525	Joint Facility - (Credit)	N/A	N/A	(230)	N/A	(230)		(230)
526	Other	4	10	964	372	1,350		1,350
527	Total Administrative Support Operations	15,791	2,114	2,805	6,080	26,790		26,790
528	Total Transportation	205,756	74,322	18,959	81,601	380,638		380,638

410. RAILWAY OPERATING EXPENSE - Concluded

Line No.	Name of railway operating expense account	Freight					Passenger	Total
		Salaries and wages	Material, tools, supplies, fuels, and lubricants	Purchased services	General	Total freight expense		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	GENERAL AND ADMINISTRATIVE:	\$	\$	\$	\$	\$	\$	\$
601	Officers - General Administration	6,164	286	896	821	8,167		8,167
602	Accounting, Auditing and Finance	11,340	287	465	86	12,178		12,178
603	Management Services and Data Processing	1,643	37	67	(26)	1,721		1,721
604	Marketing							
605	Sales	2,735	80	536	579	3,930		3,930
606	Industrial Development	379	15	42	56	492	N/A	492
607	Personnel and Labor Relations	1,235	45	52	125	1,457		1,457
608	Legal and Secretarial	1,182	143	1,908	1,079	4,312		4,312
609	Public Relations and Advertising	118	12	297	288	715		715
610	Research and Development	121	3	5	(4)	125		125
611	Fringe Benefits	N/A	N/A	N/A	10,255	10,255		10,255
612	Casualties and Insurance	N/A	N/A	N/A	125	125		125
613	Writedown of Uncollectible Accounts	N/A	N/A	N/A				
614	Property Taxes	N/A	N/A	N/A	12,477	12,477		12,477
615	Other Taxes Except on Corporate Income or Payrolls	N/A	N/A	N/A	5,604	5,604		5,604
616	Joint Facility - Debit	N/A	N/A	774	N/A	774		774
617	Joint Facility - (Credit)	N/A	N/A		N/A			
618	Other	791	66	408	784	2,049		2,049
619	Total General and Administrative	25,708	974	5,450	32,249	64,381		64,381
620	Total Carrier Operating Expenses	324,915	144,092	125,149	209,572	803,728		803,728

412. WAY AND STRUCTURES

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

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

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

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

Line No.	Property account	Category (a)	Depreciation (b)	Retirement (c)	Lease/Rentals (net) (d)
1	1	Engineering	\$ 51	\$ 10	\$ 61
2	2	Land for transportation purposes	N/A	N/A	61
3	3	Grading	149	464	852
4	4	Other right-of-way expenditures	7		1
5	5	Tunnels and subways	55		25
6	6	Bridges, trestles and culverts	1,745	N/A	619
7	7	Elevated structures		N/A	
8	8	Ties	N/A	131	164
9	9	Rails	N/A	(42)	373
10	10	Other track material	N/A	281	235
11	11	Ballast	N/A	74	274
12	12	Track laying and surfacing	N/A	128	222
13	13	Fences, snowsheds and signs	60	N/A	17
14	16	Station and office buildings	510	N/A	95
15	17	Roadway buildings	80	N/A	11
16	18	Water stations	8	N/A	6
17	19	Fuel stations	54	N/A	4
18	20	Shops and enginehouses	534	N/A	11
19	22	Storage warehouses		N/A	
20	23	Wharves and docks	18	N/A	
21	24	Coal and ore wharves		N/A	
22	25	TOFC/COFC terminals	73	N/A	9
23	26	Communications systems	422	N/A	28
24	27	Signals and interlockers	1,303	N/A	145
25	29	Power plants	2	N/A	
26	31	Power transmission systems	54	N/A	
27	35	Miscellaneous structures	24	N/A	
28	37	Roadway machines	828	N/A	
29	39	Public improvements, construction	125	10	24
30	45	Power plant machines	8	N/A	
31	76	Interest during construction	N/A		N/A
32	77	Other expenditures, general	N/A		N/A
33	80	Other elements of investment	N/A		N/A
34	-	Other lease/rentals			11
35	-	Total	6,110	1,056	3,248

Revised for late for calculation

413. RENT FOR LEASED ROADS AND EQUIPMENT

1. This schedule may be omitted if total rent is less than 10% of net income before extraordinary items. Otherwise, give particulars called for with respect to roads and equipment leased from others during the year, the rent for which is includible in account No. 31-60-00.

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

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

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

Line No.	Name of lessor or reversioner and description of property (a)	Total rent accrued during year (b)	Classification of Amount Column (b)		
			Interest on bonds (c)	Dividends on stocks (d)	Cash (e)
1	Western & Atlantic Railroad	\$ 2,491	\$	\$	\$ 2,491
2					
3	Wabash River Bridge, Clinton, Ind.	204			204
4					
5	Evansville Connecting Railroad	205			205
6					
7	Other items, each less than 10%				
8	of total rent	418		123	295
9					
10	Total	3,318		123	3,195

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

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

5. Report in Columns (c), (d), (g), and (h) rentals for railroad owned cars prescribed by the Commission in Ex Parte No. 334, for which rentals are settled on a combination mileage and time basis (basic per diem). Include railroad owned per diem tank cars on line 17.

6. Report in Columns (e) and (i) the incentive per diem payments for Box and Gondola General Service—Unequipped cars prescribed by the Commission in Ex Parte No. 252. Basic per diem payments for these cars are to be reported in Columns (c), (d), (g), and (h).

NOTES: Mechanical designations for each car type are shown in Schedule 710.

7. Thousand dollar reporting rule.

Line No.	Type of Equipment (a)	GROSS AMOUNTS RECEIVABLE Per Diem Basis				GROSS AMOUNTS PAYABLE Per Diem Basis			
		Private Line Cars (b)	Mileage (c)	Time		Private Line Cars (f)	Mileage (g)	Time	
				Basic (d)	Incentive (e)			Basic (h)	Incentive (i)
CAR TYPES:									
1	Box-Plain 40 Foot	\$	\$ 907	\$ 1,884	\$ 472	\$ -	\$ 1,095	\$ 2,293	\$ 515
2	Box-plain 50 Foot and Longer		2,080	6,963	2,122	1,588	2,871	11,176	3,573
3	Box-Equipped		3,881	9,252	XXX-4	-	3,236	10,059	XXX-303
4	Gondola-Plain		939	4,076	XXX	12	1,015	4,871	XXX
5	Gondola-Equipped		154	482	XXX	-	177	717	XXX
6	Hopper-Covered		1,065	4,188	XXX	3,732	2,661	8,207	XXX
7	Hopper-Open Top-General Service		7,248	18,870	XXX	393	1,330	4,213	XXX
8	Hopper-Open Top-Special Service		5	165	XXX	157	61	399	XXX
9	Refrigerator-Mechanical		-	14	XXX	166	215	500	XXX
10	Refrigerator-Non-Mechanical		254	819	XXX	460	1,255	3,680	XXX
11	Flat TOFC/COFC		-	3	XXX	8,291	210	320	XXX
12	Flat Multi-Level		65	211	XXX	4,329	399	955	XXX
13	Flat General Service		46	96	XXX	-	148	375	XXX
14	Flat-Other		225	818	XXX	3,117	588	1,888	XXX
15	Tank-Under 22,000 Gallons		XXX	XXX	XXX	5,954	XXX	XXX	XXX
16	Tank-22,000 Gallons and Over		XXX	XXX	XXX	3,301	XXX	XXX	XXX
17	All Other Freight Cars		122	421	XXX	30	187	760	XXX
18	Total Freight Train Cars		16,991	48,262	2,598	31,530	15,448	50,413	4,471
OTHER FREIGHT CARRYING EQUIPMENT									
19	Refrigerated trailers		-	-	XXX	91	-	82	XXX
20	Other trailers		-	9,815	XXX	3,875	-	5,062	XXX
21	Refrigerated containers		-	-	XXX	-	-	-	XXX
22	Other containers		-	-	XXX	-	-	-	XXX
23	Total Trailers & containers		-	9,815	XXX	3,966	-	5,144	XXX
24	Auto Racks		-	6,384	XXX	-	-	6,134	XXX
25	Grand Total (Lines 18, 23, & 24)		16,991	64,461	2,598	35,496	15,448	61,691	4,471

Corrected Schedule 415 (11/14/79)

SEE INSTRUCTIONS ON PAGE 65A

Line No.	Types of Equipment (a)	Repairs (Net Expense) (b)	Depreciation (c)	Retirements (d)	Lease and Rentals (Net) (e)
	LOCOMOTIVES:				
1	Diesel Locomotive - Yard	\$ 5,146	\$ 556	\$ (29)	\$ 14,725 ✓
2	Diesel Locomotive - Road	37,740	7,000		
3	Other Locomotive - Yard				
4	Other Locomotive - Road				
5	TOTAL	42,886	7,556	(29)	14,725
	FREIGHT TRAIN CARS:				
6	Box-Plain 40 Foot	1,751	953		2,038 ✓
7	Box-Plain 50 Foot and Longer	3,237	3,470		898 ✓
8	Box-Equipped	5,595	3,383		
9	Gondola-Plain	6,264	1,836	(2)	793 ✓
10	Gondola-Equipped	300	315		37 ✓
11	Hopper-Covered	2,756	2,763	(33)	987 ✓
12	Hopper-Open Top-General Service	13,968	16,419	(1)	3,426 ✓
13	Hopper-Open Top-Special Service	94	262		734 ✓
14	Refrigerator-Mechanical				
15	Refrigerator-Nonmechanical	510 ✓	9		
16	Flat TOFC/COFC	33	5		
17	Flat Multi-level	217	43		
18	Flat-General Service	152	71	(1)	79 ✓
19	Flat-Other	655	501		
20	All Other Freight Cars	637	681		
21	Cabooses	1,767	341		
22	Auto Racks	1,075	338		1,139 ✓
23	Miscellaneous Accessories				
24	TOTAL FREIGHT TRAIN CARS	39,011	31,390	(37)	10,131 ✓
	OTHER EQUIPMENT-REVENUE FREIGHT HIGHWAY EQUIPMENT				
25	Refrigerated Trailers				
26	Other Trailers	930			10,152 ✓
27	Refrigerated Containers				
28	Other Containers				
29	Bogies				
30	Chasis				
31	Other Highway Equipment (Freight)	930			10,152 ✓
32	TOTAL HIGHWAY EQUIPMENT				
	FLOATING EQUIPMENT-REVENUE SERVICE				
33	Marine Line-Haul				
34	Local Marine				
35	TOTAL FLOATING EQUIPMENT				
	OTHER EQUIPMENT				
36	Passenger and Other Revenue Equipment (Freight Portion)				
37	Computer & Data Processing Equipment	17	153		
38	Machinery - Locomotives	943	131		
39	Machinery - Freight Cars	295	41		
40	Machinery - Other Equipment	1,422	197		
41	Work & Other Non-revenue Equipment	4,104	420	(3)	(13)
42	TOTAL OTHER EQUIPMENT	6,781	942	(3)	(13)
43	TOTAL, ALL EQUIPMENT (FREIGHT PORTION)	89,608	39,888	(69)	34,995 ✓

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Received this date for tabulation

SCHEDULE 415. SUPPORTING SCHEDULE: EQUIPMENT

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

SEE INSTRUCTIONS ON PAGE 65A

Line No.	Type of Equipment (a)	Repairs (Net Expense) (b)	Depreciation (c)	Retirements (d)	Lease and Rentals (Net) (e)
LOCOMOTIVES:					
1	Diesel Locomotive - Yard	\$ 5,146	\$ 557	\$ 919 (39)	\$
2	Diesel Locomotive - Road	37,740	7,000	1,846	14,725
3	Other Locomotive - Yard				
4	Other Locomotive - Road				
5	TOTAL	42,886	7,557	2,765	14,725
FREIGHT TRAIN CARS:					
6	Box-Plain, 40 Foot	1,751	953	2,792	2,678
7	Box-Plain 50 Foot and Longer	3,237	3,470	871	8,941
8	Box-Equipped	5,595	3,383	2,224	196
9	Gondola-Plain	6,264	1,836	1,541 (3)	1,676
10	Gondola-Equipped	300	315	232	295
11	Hopper-Covered	2,756	2,763	1,396 (3)	10,334
12	Hopper-Open Top-General Service	13,968	16,419	9,910 (1)	(16,701)
13	Hopper-Open Top-Special Service	94	262	10	447
14	Refrigerator-Mechanical	492			1,601
15	Refrigerator-Nonmechanical	18	9		4,322
16	Flat TOPC/COPC	33	5	22	8,818
17	Flat Multi-level	217	43	(1)	5,407
18	Flat-General Service	152	71	100 (1)	460
19	Flat-Other	655	501	174	4,550
20	All Other Freight Cars	637	573 681	243	9,689
21	Cabooses	1,767	341	28	
22	Auto Racks	1,075	338	39	889
23	Miscellaneous Accessories				
24	TOTAL FREIGHT TRAIN CARS	39,011	31,282	19,581 (3)	43,602
OTHER EQUIPMENT-REVENUE FREIGHT					
HIGHWAY EQUIPMENT					
25	Refrigerated Trailers				173
26	Other Trailers	930			9,274
27	Refrigerated Containers				
28	Other Containers				
29	Trucks				
30	Cranes				
31	Other Highway Equipment (Freight)				
32	TOTAL HIGHWAY EQUIPMENT	930			9,447
FLOATING EQUIPMENT-REVENUE SERVICE					
33	Marine Line-Haul				
34	Local Marine				
35	TOTAL FLOATING EQUIPMENT				
OTHER EQUIPMENT					
36	Passenger and Other Revenue Equipment (Freight Portion)				
37	Computer & Data Processing Equipment	17	153		
38	Machinery - Locomotives	943	131		
39	Machinery - Freight Cars	295	41		
40	Machinery - Other Equipment	1,422	197		
41	Work & Other Non-revenue Equipment	4,104	529 420	140 (3)	(13)
42	TOTAL OTHER EQUIPMENT	6,781	682 942	140 (3)	(13)
43	TOTAL ALL EQUIPMENT (FREIGHT PORTION)	89,608	39,524 4000	22,486 (6)	67,761

SCHEDULE 415. SUPPORTING SCHEDULE: EQUIPMENT

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

417. SPECIALIZED SERVICE SUBSCHEDULE - TRANSPORTATION

Instructions:

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

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

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

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

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

9. Thousand dollar Reporting Rule.

Line No.	Items (a)	TOFC/COFC Terminal (b)	Floating Equipment (c)	Coal Marine Terminal (d)	Ore Marine Terminal (e)	Other Marine Terminal (f)	Motor Vehicle Load and Distribution (g)	Protective Services Refrigerator Car (h)	Other Special Services (i)	Total Columns (b-i)
1	Administration	\$	\$	\$	\$	\$	\$	\$	\$	\$
2	Pick up & delivery, marine line haul	225						N/A		225
3	Loading and unloading and local marine	2,319						N/A		2,319
4	Protective services							621		621
5	Freight lost or damaged-solely related									
6	Fringe benefits	16								16
7	Casualty and Insurance	17								17
8	Joint facility - Debit	3								3
9	Joint facility - Credit									
10	Other									
11	Total	2,580						621		3,201

419. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION

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

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

419. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION—Continued

Line No.	Name of Account (a)	Amount (b)
	Repair and Maintenance—Continued	5
101	Locomotive Servicing Facilities	
102	Miscellaneous Buildings and Structures	
109	Roadway Machines	
110	Small Tools and Supplies	
111	Snow Removal	
112	Fringe Benefits - Running	1
113	Fringe Benefits - Switching	
114	Fringe Benefits - Other	
115	Casualties and Insurance - Running	
116	Casualties and Insurance - Switching	
117	Casualties and Insurance - Other	
118	Lease Rentals - Debit - Running	
119	Lease Rentals - Debit - Switching	
120	Lease Rentals - Debit - Other	
121	Lease Rentals - (Credit) - Running	
122	Lease Rentals - (Credit) - Switching	
123	Lease Rentals - (Credit) - Other	
124	Joint Facility Rent - Debit - Running	16
125	Joint Facility Rent - Debit - Switching	
126	Joint Facility Rent - Debit - Other	
127	Joint Facility Rent - (Credit) - Running	18
128	Joint Facility Rent - (Credit) - Switching	
129	Joint Facility Rent - (Credit) - Other	
130	Other Rents - Debit - Running	
131	Other Rents - Debit - Switching	
132	Other Rents - Debit - Other	
133	Other Rents - (Credit) - Running	
134	Other Rents - (Credit) - Switching	
135	Other Rents - (Credit) - Other	
136	Depreciation - Running	
137	Depreciation - Switching	
138	Depreciation - Other	
139	Joint Facility - Debit - Running	59
140	Joint Facility - Debit - Switching	
141	Joint Facility - Debit - Other	
142	Joint Facility - (Credit) - Running	294
143	Joint Facility - (Credit) - Switching	
144	Joint Facility - (Credit) - Other	
145	Dismantling Retired Road Property - Running	
146	Dismantling Retired Road Property - Switching	
147	Dismantling Retired Road Property - Other	
148	Other - Running	
149	Other - Switching	
150	Other - Other	
		399
151	Total WAY AND STRUCTURES	

419. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION - Continued

Line No.	Name of Account (a)	Amount (b)
	EQUIPMENT	\$
	Locomotives	
201	Administration	9
202	Repair and Maintenance	2
203	Machinery Repair	
204	Equipment Damaged	
205	Fringe Benefits	1
206	Other Casualties and Insurance	1
207	Lease Rentals - Debit	
208	Lease Rentals - (Credit)	
209	Joint Facility Rent - Debit	
210	Joint Facility Rent - (Credit)	
211	Other Rents - Debit	13
212	Other Rents - (Credit)	
213	Depreciation	
214	Joint Facility - Debit	1
215	Joint Facility - (Credit)	
216	Repairs Billed to Others - (Credit)	
217	Dismantling Retired Property	
218	Other	
219	Total Locomotives	27
	Other Equipment	
301	Administration	9
	Repair and Maintenance:	
304	Passenger and Other Revenue Equipment	1
305	Computers and Data Processing System	
306	Machinery	
307	Work and Other Non-Revenue Equipment	
308	Equipment Damaged	1
309	Fringe Benefits	
310	Other Casualties and Insurance	
311	Lease Rentals - Debit	
312	Lease Rentals - (Credit)	
313	Joint Facility Rent - Debit	
314	Joint Facility Rent - (Credit)	
315	Other Rents - Debit	
316	Other Rents - (Credit)	
317	Depreciation	
318	Joint Facility - Debit	1
319	Joint Facility - (Credit)	
320	Repairs Billed to Others - (Credit)	
321	Dismantling Retired Property	
322	Other	
323	Total Other Equipment	12
324	TOTAL EQUIPMENT	39

419. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION—Continued

Line No.	Name of Account (a)	Amount (b)
	TRANSPORTATION	\$
	Train Operation	
401	Administration	36
402	Engine Crews	646
403	Train Crews	609
404	Dispatching Trains	
405	Operating Signals and Interlockers	
406	Operating Drawbridges	
407	Highway Crossing Protection	12
408	Train Inspection and Lubrication	145
409	Locomotive Fuel	368
410	Electric Power Purchased or Produced for Motive Power	
411	Servicing Locomotives	98
412	Freight Lost or Damaged - Solely Related	
413	Clearing Wrecks	7
414	Fringe Benefits	321
415	Other Casualties and Insurance	20
416	Joint Facility - Debit	1
417	Joint Facility - (Credit)	3
418	Other	6
419	Total Train Operations	2,272
	Yard Operations	
420	Administration	
421	Switch Crews	
422	Controlling Operations	
423	Yard and Terminal Clerical	
424	Operating Switches, Signals, Retarders and Humps	
425	Locomotive Fuel	
426	Electric Power Purchased or Produced for Motive Power	
427	Servicing Locomotives	4
428	Freight Lost or Damaged - Solely Related	
429	Clearing Wrecks	
430	Fringe Benefits	
431	Other Casualties and Insurance	
432	Joint Facility - Debit	74
433	Joint Facility - (Credit)	
434	Other	
435	Total Yard Operations	78

419. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION—Concluded

Line No.	Name of Account (a)	Amount (b)
	Train and Yard Operations Common	\$
501	Cleaning Car Interiors	
504	Freight Lost or Damaged - all other	
505	Fringe Benefits	
506	Total Train and Yard Operations Common	
	Administrative Support Operations	
518	Administration	
519	Employees Performing Clerical and Accounting Functions	21
520	Communication Systems Operation	
521	Loss and Damage Claims Processing	
522	Fringe Benefits	2
523	Casualties and Insurance	
524	Joint Facility - Debit	
525	Joint Facility - (Credit)	
526	Other	
527	Total Administrative Support Operations	23
528	TOTAL TRANSPORTATION	2,373
	GENERAL AND ADMINISTRATIVE	\$
601	Officers - General Administration	
602	Accounting, Auditing and Finance	18
603	Management Services and Data Processing	
604	Marketing	
605	Sales	41
607	Personnel and Labor Relations	
608	Legal and Secretarial	
609	Public Relations and Advertising	
610	Research and Development	
611	Fringe Benefits	17
612	Casualties and Insurance	
613	Writedown of Uncollectible Accounts	
614	Property Taxes	
615	Other Taxes Except on Corporate Income or Payrolls	
616	Joint Facility - Debit	28
617	Joint Facility - (Credit)	
618	Other	
619	TOTAL GENERAL AND ADMINISTRATIVE	104
	TOTAL REMUNERATIONS	2,915

430. MISCELLANEOUS RENT INCOME

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

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

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

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

4. Report dollars in thousands.

Line No.	Description of Property		Name of lessee (c)	Amount of Rent (d)
	Name (a)	Location (b)		
1				
2	Not Applicable			3
3				
4				
5				
6				
7				
8				
9				
10				
			Total	

440. MISCELLANEOUS RENTS (EXPENSE)

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

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

Give particulars of all properties the rents on which were charged

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

(Dollars in thousands)

Line No.	Description of Property		Name of lessor (c)	Amount charged to Income (d)
	Name (a)	Location (b)		
1	Not Applicable			\$
2				
3				
4				
5				
6				
7				
8				
9				
10			Total	

445. SEPARATELY OPERATED PROPERTIES - PROFIT OR LOSS

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

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

(Dollar in thousands)

Line No.	Description of property operated (a)	Location of property (b)	Name of operator (c)	ACCRUED TO RESPONDENT	
				Profit (d)	Loss (e)
1	Clinchfield Railroad	Elkhorn City, KY		\$	\$
2		to Spartanburg,			
3		S.C. and branches		3,451	
4					
5	Georgia Railroad	Atlanta, Ga. to			
6		Augusta, Ga. and			
7		branches			607
8					
9					
10			Total	3,451	607

450. ANALYSIS OF FEDERAL INCOME TAXES

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

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

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

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

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

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

Report dollars in thousands.

Line No.	Particulars (a)	Beginning of Year Balance (b)	Net Credits (Charges) for Current Year (c)	Adjustments (d)	End of Year Balance (e)
1	Accelerated depreciation, Sec. 167 I.R.C. Guideline lives pursuant to Rev. Proc. 62-21.	\$ 183,833	\$ 20,660	\$	\$ 204,493
2	Accelerated amortization of facilities Sec. 168, I.R.C.				
3	Accelerated amortization of rolling stock, Sec. 184 I.R.C.	3,330	(149)		3,181
4	Amortization of rights of way, Sec. 185 I.R.C.				
5	Other (Specify)				
6	Claims Reserve Accruals Over Payment	(18,957)	(1,287)		(20,244)
7	Deferred State Tax	2,585	1,044		3,629
8	Federal effect of deferred state tax	(1,241)	(501)		(1,742)
9	Investment tax credit*	(57,193)	(12,042)		(76,235)
10	TOTALS	112,357	725		113,082

*Footnotes:

11. If flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit \$ 19,042
12. If deferral method for investment tax credit was elected:
- (1) Indicate amount of credit utilized as a reduction of tax liability for current year \$
 - (2) Deduct amount of current year's credit applied to reduction of tax liability but deferred for accounting purposes \$
 - (3) Balance of current year's credit used to reduce current year's tax accrual \$
 - (4) Add amount of prior year's deferred credits being amortized to reduce current year's tax accrual \$
 - (5) Total decrease in current year's tax accrual resulting from use of investment tax credits \$

2. Report dollars in thousands

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

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

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

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

(Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Debits (c)	Credits (d)
1	551	Premiums for Service Interruption Insurance:	\$ 3,916	\$
2		Fines, judgments and claim settlements	728	
3		Write-off of doubtful accounts	680	
4				
5				
6	555	Replacement of 26,350 high carbon cast steel		
7		wheels out of approximately 31,000 wheels which		
8		are required to be replaced under Federal Railroad		
9		Administration Emergency Order No. 7, dated		
10		March 23, 1978	9,162	
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MEMORANDA RELATING TO SELECTED INCOME AND RETAINED EARNINGS ACCOUNTS

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

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

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

(b) Payments for services rendered by affiliates.

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

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

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

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

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

Specify: Yes ☒ No ☐

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

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

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

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

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

(Dollars in thousands)

Line No.	Name of recipient (a)	Description of service (b)	Amount of payment (c)
1	Alabama R.R. Association	Proportion of Expenses	\$ 26
2	Florida R.R. Association	Proportion of Expenses	13
3	Deloitte, Haskins & Sells	Accounting Services	44
4	Hazelet & Erdal	Engineering Services	235
5	Illinois R.R. Association	Proportion of Expenses	4
6	Indiana R.R. Association	Proportion of Assessment	24
7	Kentucky R.R. Association	Proportion of Expenses	83
8	Mississippi R.R. Association	Proportion of Expenses	1
9	Ore & Coal Exchange	Proportion of Expenses	15
10	Tennessee R.R. Association	Proportion of Expenses	45
11	Virginia R.R. Association	Proportion of Expenses	1
12	National Rwy. Labor Conf.	Proportion of Expenses	102
13	Western Railroad Assoc.	Proportion of Expenses	370
14	R.R. Perish. Insp. Agency	Proportion of Expenses	24
15	So. Eastern R.R. Assoc. Bur.	Proportion of Expenses	1,888
16	Traf. Exec. Assoc. East R.R.	Proportion of Expenses	168
17	Assoc. of American R.R.'s	Proportion of Expenses	1,047
18			
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28			

500. CONTINGENT ASSETS AND LIABILITIES

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

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

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

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

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

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

(Dollars in thousands)

Line No.	Item (a)	Amount (b)
	<u>Contingent Assets</u>	\$
1	None	
2		
3	<u>Contingent Liabilities</u>	
4	In February 1977, the Florida East Coast Railway ("FEC") filed a complaint	
5	with the ICC against Industries, SCL and L&N in which it sought an unspecified	
6	amount of money in damages for alleged violations of certain traffic conditions	
7	prescribed by the ICC in an Order approving the merger of Atlanta Coast Line	
8	Railroad Company and Seaboard Airline Railroad Company into SCL, consummated in	
9	1967. In addition, the FEC asked the ICC to strengthen the traffic conditions	
10	which were alleged to have been violated. The complaint also alleged unlawful	
11	acquisition of approximately two-thirds of the stock of L&N, and the ICC was	
12	asked to require divestiture of that stock and termination of control by SCL	
13	over the operating and traffic policies of L&N. Southern Railway Company	
14	("Southern") intervened in the case, seeking money damages and transfer to it	
15	of certain of SCL and L&N lines. Southern alleged that Industries, SCL, and	
16	L&N had violated antitrust laws and traffic conditions prescribed by the ICC	
17	In the 1967 merger.	
18		
19	On April 11, 1978, FEC and SCL agreed to a settlement of the FEC complaint	
20	and FEC withdrew from the ICC proceedings. Under the settlement, SCL will not	
21	prefer its traffic over that of FEC in interchange at Jacksonville of freight	
22	destined to the lower east coast of Florida, and it will not act so as to place	
23	FEC at a competitive disadvantage.	
24		
25	In a decision served February 22, 1978, an ICC Administrative Law Judge found	
26	that the SCL had not unlawfully acquired the additional shares of L&N stock; that	
27	the SCL and L&N had violated certain traffic conditions in two respects; that	
28	those conditions should be imposed on all of the Family Lines' railroads	
29	vis-a-vis the Southern system of carriers to the extent that the latter grants	
30	the Family Lines' railroads reciprocal treatment; and that Industries should	
31	be subjected to additional ICC regulation. The Administrative Law Judge further	
32	determined that SCL was not required to divest itself of L&N stock; that there	
33	should be no transfer of lines to Southern from SCL and L&N; and that Industries,	
34	SCL and L&N had not violated antitrust laws. The Southern has signified its	
35	intention to appeal the decision; and SCL and L&N will contest the imposition	
36	of additional regulation on Industries.	
37		
38		
39		
40		
41		
42		
43		
44		
45		
46		
47		

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	Carolina, Clinchfield	F.D. 23529 First Mortgage 4 1/2%	\$ 9,657	Joint
2	& Ohio Railway	Bonds, Series B, due April 1, 1990	and interest thereon	
3	Guarantors:			
4	L&N RR and SCL RR			
5				
6	Terminal RR Assoc.	Refunding and Improvement Mtge. Bonds:		
7	of St. Louis	Series C, 4% due July 1, 2019,		
8	Guarantors: L&N,	F.D. T4553	7,787	Note 1
9	BEO, BN, CNW, ICG,	Series D, 2-7/8%, due Oct. 1, 1985,		
10	ITC, MKT, MP, N&W,	F.D. 15070	26,005	Note 2
11	CR&P, CR, SLSF,			
12	Sou. SSW			
13	Note 1. As to Refunding and Improvement Mortgage Bonds, Series C, this Company			
14	guarantees to the extent of one-sixteenth only, the interest and sinking			
15	fund payments,			
16	Note 2. As to Series D, the guaranty covers one-sixteenth only of principal, sink-			
17	ing fund payments and interest, and in addition each guarantor agrees, in			
18	the event of default of any other guarantor, to pay its pro rata share of			
19	defaulted guaranty.			
20	Clinchfield RR Co.	F.D. 22918 Payment of Equip. Trust	464	Joint
21	Guarantors: L&N RR	Certificates, 4 1/2%, Series D,	and dividends	
22	and SCL RR	Final Maturity Feb. 1, 1979	thereon	
23	Clinchfield RR Co.	F.D. 23370 Payment of Equip. Trust	263	Joint
24	Guarantors: L&N RR	Certificates, 4-1/8%, Series E,	and dividends	
25	and SCL RR	Final Maturity Dec. 1, 1979	thereon	
26	Clinchfield RR Co.	F.D. 24225 Payment of Equip. Trust	1,659	Joint
27	Guarantors: L&N RR	Certificates, 5 1/2%, Series F,	and dividends	
28	and SCL RR	Final Maturity Aug. 1, 1981	thereon	
29	Clinchfield RR Co.	F.D. 24405 Payment of Equip. Trust	1,708	Joint
30	Guarantors: L&N RR	Certificates, 5 1/2%, Series G,	and dividends	
31	and SCL RR	Final Maturity Jan. 15, 1982	thereon	
32	Clinchfield RR Co.	F.D. 26677 Payment of Equip. Trust	1,267	Joint
33	Guarantors: L&N RR	Certificates, 8%, Series H,	and dividends	
34	and SCL RR	Final Maturity July 15, 1986	thereon	
35	Clinchfield RR Co.	F.D. 27206 Payment of Equip. Trust	1,638	Joint
36	Guarantors: L&N RR	Certificates, 7 1/2%, Series I,	and dividends	
37	and SCL RR	Final Maturity Nov. 15, 1987	thereon	
38		(Continued on Page 80-A)		

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	Revolving Credit	Seaboard Coast Line Railroad	\$25,000	Sole
2	Agreement dated			
3	Sept. 17, 1976 with			
4	Citizens Fidelity			
5	Bank & Trust Company,			
6	Louisville, Kentucky			
7				
8				
9				

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 (Continued From Page 80) (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)
1	Clinchfield RR Co.	Equipment Lease Agreement dated	\$ 9,128	Joint
2	Guarantors: L&N RR	Feb. 15, 1974, due March 15, 1989		
3	and SCL RR			
4	Trailer Train Company L&N Co., together with other pro-		6,008	Joint
5	Proprietary companies	proprietary companies of Trailer		
6	subject to change	Train Co., is obligated to advance		
7		to Trailer Train under certain		
8		conditions such sum as may be		
9		needed by that Company to pay		
10		principal and interest under terms		
11		of certain of its outstanding		
12		obligations.		
13	City of New Orleans, La.	Under the terms of the New Orleans	6,111	Joint
14	Guarantors: L&N RR,	Union Passenger Terminal Agreement		
15	ICG RR, L&A Ry, Sou.	dated Oct. 22, 1947, F.D. 15920,		
16	Ry., T&NO RR, T&P	the L&N and six other railroads		
17	Ry. and MP RR	severally guarantee payment as and		
18		when due, principal, interest and		
19		expense of City of New Orleans		
20		Union Passenger Terminal revenue		
21		bonds dated January 1, 1948, due		
22		serially to January 1, 1998.		
23	The Belt Railway Co.	Assumption by the named railroads of	23,212	Joint
24	of Chicago	obligation and liability as joint		
25	Guarantors: L&N RR,	and several guarantors by endorse-		
26	ICG RR, AT&SF Ry.,	ment in respect of the principal,		
27	CR&P RR, BN RR, CR,	interest and sinking fund payments		
28	Soo Line RR, CGO Ry,	on principal amount First Mortgage		
29	MP RR, GTW RR, N&W	4-5/8% Sinking Fund Bonds, Series A		
30	Ry.	Dated Aug. 15, 1962, due Aug. 15,		
31		1987. I.C.C. Finance Docket No.		
32		22140.		
33	Kentucky & Indiana	First Mortgage 4-7/8% Bonds, due	4,303	Joint
34	Terminal Company	March 1, 1986	and interest	
35	Guarantors: L&N RR,		thereon	
36	B&O RR and Sou. Ry.			
37	Louisville & Nashville	Equipment Lease Agreement dated	9,022	Sole
38	Railroad Company	September 1, 1972, due April 1, 1988		

(Continued on page 80-B)

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				
4				
5				
6				
7				
8				
9				

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 (Continued From Page 80-A) (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)
1	Louisville & Nashville Railroad Company	Equipment Lease Agreement dated May 1, 1973, due May 1, 1984	\$ 2,935	Sole
2	Louisville & Nashville Railroad Company	Equipment Lease Agreement dated Dec. 1, 1973, due Nov. 15, 1984	4,932	Sole
3	Louisville & Nashville Railroad Company	Equipment Lease Agreement dated Dec. 27, 1973, due Dec. 27, 1988	6,321	Sole
4	Louisville & Nashville Railroad Company	Equipment Lease Agreement dated Jan. 1, 1974, due Oct. 15, 1982	16,931	Sole
5	Louisville & Nashville Railroad Company	Equipment Lease Agreement dated Jan. 15, 1974, due Nov. 1, 1989	12,066	Sole
6	Louisville & Nashville Railroad Company	Equipment Lease Agreement dated June 1, 1974, due May 15, 1982	6,530	Sole
7	Louisville & Nashville Railroad Company	Equipment Lease Agreement dated Sept. 1, 1974, due May 15, 1990	14,288	Sole
8	Louisville & Nashville Railroad Company	Equipment Lease Agreement dated Dec. 1, 1974, due May 30, 1990	12,230	Sole
9	Cybernetics & Systems, Inc.	Equipment Lease Agreement dated July 17, 1975, due Jan. 1, 1980	146	Sole
10	Haysl Railroad	Note payable and interest thereon at the prime rate plus 4% F.D. 27032	1,400	Joint
11	Guarantors: L&N RR and SCL RR	Conditional Sale Agreement due March 1, 1980, for equipment	47 and interest thereon	Joint
12	Guarantors: L&N RR and SCL RR	Revolving Credit and Term Loan Agreement dated May 15, 1978	4,000 and interest thereon	Note 3
13	Southern Pacific Development Corp., L&N Investment Corp., Hilton Hotels Corp., and Lester E. Kabacoff			
14	Note 3 - Through a subordination agreement dated May 15, 1978 L&N guarantees the portion of L&N Investment Corp. (31.4579468%).			
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
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				
4				
5				
6				
7				
8				
9				

INSTRUCTIONS CONCERNING RETURNS IN SCHEDULE 700

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

700. MILEAGE OPERATED AT CLOSE OF YEAR

Road Initials: LN

Year 1940

Running Tracks, Passing Tracks, Cross-Overs, Etc.

100. MILEAGE OPERATED AT CLOSE OF YEAR										
Line No.	Class	Proportion owned or leased by respondent	Main (M) or branch (B) line	Running Tracks, Passing Tracks, Cross-Overs, Etc.				Miles of way switching tracks	Miles of yard switching tracks	Total
				Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, turnouts			
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	1	All	M	3,803	226	4	658	484	1,487	6,662
2	1J	1/4	M						2	2
3	1J	1/3	M						1	1
4	1J	1/2	M	66	66		16	13	98	259
5	1J	2/3	M						1	1
6	Total Cl. 1J Main			66	66		16	13	102	263
7										
8	Total Cl. 1&1J Main			3,869	292	4	674	497	1,589	6,925
9										
10	1	All	B	2,111	2		139	344	66	2,662
11	1	1/2	B	6			1	15		22
12	Total Cl. 1&1J Branch			2,117	2		140	359	66	2,684
13										
14	Total Cl. 1&1J Main									
15	6	1&1J Branch		5,986	294	4	814	856	1,655	9,609
16										
17	2		M	2			1			3
18										
19	3A	All	M	137			19	15	17	188
20	3AJ	1/2	B						1	1
21	Total Cl. 3A Main									
22	and 3A Branch			137			19	15	18	189
23										
24	3B	100	M	268	16		54	21	20	379
25	3B	100	B	2				1		3
26	Total Cl. 3B Main									
27	and 3B Branch			270	16		54	22	20	382
28										
29	4B	All	B	10			1	2		13
30										
31	5		M	158	30	6	13	23	187	417
32	5		B	54			3	12	9	78
33	Total Cl. 5 Main									
34	and 5 Branch			212	30	6	16	35	196	495
35										
36										
37	Total Class 3			487	16	-	75	37	32	571
38										
39										
40										
41										
42										
43										
44										
45										
46										
47										
48										
49										
50										
51										
52										
53										
54										
55	Total Main Line			4,434	338	10	761	556	1,813	7,912
56	Total Branch Lines			2,183	2		144	374	76	2,779
57	Grand Total			6,617	340	10	905	930	1,889	10,691
58	Miles of road or track electrified included in preceding grand total			XXX						
None										

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

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

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

Line No.	Class	Name of road or track	Main (M) or branch (B) line	Running Tracks, Passing Tracks, Cross-Overs, Etc.				Miles of yard switching tracks	Miles of yard switching tracks	Total
				Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, and turn-outs			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	
1	1	Tracks at								
2		Covington, KY	M	1						1
3										
4	1	Clarksville and								
5		Princeton Br.	B	20						20
6										
7										
8										
9										
10										
11										
12										
13										
14										
15		Total	XXX	21						21

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

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

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

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

Line No.	State or territory (a)	ROAD OPERATED BY RESPONDENT							LINE OWNED, NOT OPERATED BY RESPONDENT		New line constructed during year (k)
		LINE OWNED		Line of proprietary companies (d)	Line operated under lease (e)	Line operated under contract, etc. (f)	Line operated under trackage rights (g)	Total mileage operated (h)	Main line (i)	Branch lines (j)	
		Main line (b)	Branch lines (c)								
1	Alabama	604	540		41		50	1,235			
2	Florida	205	37				1	243			
3	Georgia	63	105		118		45	331			
4	Illinois	211	57				64	332			
5	Indiana	500	257	2				759			
6	Kentucky	1,152	499		139	10	19	1,819	1	20	
7	Louisiana	35					8	43			
8	Mississippi	74						74			
9	North Carolina		13					13			
10	Ohio						2	2			
11	Tennessee	926	599		109		25	1,659			
12	Virginia	66	6				35	107			
13											
14											
15											
16	Total Mileage (single track)	3,836	2,113	2	407	10	249	6,617	1	20	

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

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

appropriate. The remainder of jointly operated mileage should be shown in column (f). Tracks owned, not operated by respondent (including respondent's proportion of jointly owned tracks, not operated), should be shown in column (h). If any of the tracks returned in column (h) are operated by other than the

respondent, the name of the company or individual operating them and the conditions under which they are held for operation should be shown in a footnote. Tracks which have been permanently abandoned should not be included in column (h). Lengths should be stated to the nearest whole mile.

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

705. CHANGES DURING THE YEAR

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

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

(Class 1) Line owned by respondent.

(Class 2) Line owned by proprietary companies.

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

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

(Class 5) Line operated under trackage rights.

2. For changes in miles of road, give dates of beginning or abandonment of operations. If any changes reportable in this schedule occurred under authority granted by the Commission in certificates of convenience and necessity, issued under paragraphs (18) to (22) of section 1 of the Interstate Commerce Act or otherwise, specific reference to such authority should in each case be made by docket number or otherwise, as may be appropriate.

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

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

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

INCREASES IN MILEAGE

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

DECREASES IN MILEAGE

14	1	M	1	4		9	8		22	
15	1	B	18					1	19	
16	3B	M	2			1	1		4	
17	5	M						13	13	
18										
19										
20										
21										
22										
23										
24										
25	Total Decrease		21	4		10	9	14	58	

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

Owned by respondent:

Miles of road constructed None Miles of road abandoned 17

Owned by proprietary companies:

Miles of road constructed None Miles of road abandoned None

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

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

NOTES AND REMARKS

INSTRUCTIONS CONCERNING RETURNS IN SCHEDULE 710

Instructions for reporting locomotive and passenger-train car data.

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

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

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

4. For reporting purposes, a "locomotive unit" is a self-propelled vehicle generating or converting energy into motion, and designed solely for moving other equipment. An "A" unit is the least number of wheel bases with superstructure designed for use singly or as a lead locomotive unit in combination with other locomotive units. A "B" unit is similar to an "A" unit, but not equipped for use singly or as a lead locomotive unit. A "B" unit may be equipped with hostler controls for independent operating at terminals.

5. A "self-propelled car" is a rail motor car propelled by electric motors receiving power from third rail or overhead, or internal combustion engines located on the car itself. Trailers equipped for use only in trains of cars that are self-propelled are to be included as self-propelled equipment.

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

slugs, etc. For reporting purposes indicate radio-controlled self-powered diesel units on lines 1 through 8, as appropriate. Radio-controlled units that are not self-powered, i.e., those without a diesel, should be reported on line 13 under "Auxiliary units".

7. Column (k) should show aggregate capacity for all units reported in column (j), as follows: For locomotive units, report the manufacturers' rated horsepower (the maximum continuous power output from the diesel engine or engines delivered to the main generator or generators for tractive purposes). Exclude capacity data for steam locomotives. For passenger-train cars report the number of passenger seats available for revenue service, counting one passenger to each berth in sleeping cars.

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

710. INVENTORY OF EQUIPMENT

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

Line No.	Type or design of units	Units in service of respondent at beginning of year	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification	Units at Close of Year				
			Units installed					Owned and used	Leased from others	Total in service of respondent (col. (h) & (i))	Aggregate capacity of units reported in col. (j) (see ins. 7)	Leased to others
			New units purchased or built	New units leased from others	Rebuilt units acquired and rebuilt units rewritten into property accounts	All other units including reclassification and second hand units purchased or leased from others						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Locomotive Units												
1	Diesel-Freight _____ A units	780		15			9	544	242	786	(H.P.) 1,933,500	
2	Diesel-Freight _____ B units											
3	Diesel-Passenger _____ A units											
4	Diesel-Passenger _____ B units											
5	Diesel-Multiple purpose _____ A units	142					6	136		136	218,200	
6	Diesel-Multiple purpose _____ B units											
7	Diesel-Switching _____ A units	148	10				10	128	20	148	188,600	1
8	Diesel-Switching _____ B units											
9	Total (lines 1 to 8)	1,070	10	15			25	808	262	1,070	2,340,300	1
10	Electric-Locomotives											
11	Other self-powered units											
12	Total (lines 9, 10 and 11)	1,070	10	15			25	808	262	1,070	2,340,300	1
13	Auxiliary units	27						27		27	XXXX	
14	Total Locomotive Units (lines 12 and 13)	1,097	10	15			25	835	262	1,097	XXXX	1

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

Line No.	Type or design of units	Before Jan. 1, 1955	Between Jan. 1, 1955, and Dec. 31, 1959	Between Jan. 1, 1960, and Dec. 31, 1964	Between Jan. 1, 1965, and Dec. 31, 1969	Between Jan. 1, 1970, and Dec. 31, 1974	During Calendar Year					TOTAL
							1975	1976	1977	1978	1979	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
15	Diesel	187	29	136	164	382	39	46	62	25		1,070
16	Electric											
17	Other self-powered units											
18	Total (lines 15 to 17)	187	29	136	164	382	39	46	62	25		1,070
19	Auxiliary units	27										27
20	Total Locomotive Units (lines 18 and 19)	214	29	136	164	382	39	46	62	25		1,097

710. INVENTORY OF EQUIPMENT—Continued

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

Line No.	Class of equipment and car designations	Units in service of respondent at beginning of year	Changes During the Year					Units at Close of Year				
			Units Installed				Units retired from service of respondent whether owned or leased, including re-classification	Owned and used	Leased from others	Total in service of respondent (col. (h) & (i))	Aggregate capacity of units reported in col. (j) (see ins. 7)	Leased to others
			New units purchased or built	New units leased from others	Rebuilt units acquired and rebuilt units re-written into property accounts	All other units, including re-classification and second hand units purchased or leased from others						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
PASSENGER-TRAIN CARS												
<i>Non-Self-Propelled</i>												
21	Coaches [PA, PB, PBO]											
22	Combined cars [All class C, except CSB]											
23	Parlor cars [PBC, PC, PL, PO]											
24	Sleeping cars [PS, FT, PAS, PDS]											
25	Dining, grill and tavern cars											
26	[All class D, PD]										XXXX	
27	Non-passenger carrying cars [All class B, CSB, M, PSA, IA]										XXXX	
28	Total (lines 21 to 27)											
<i>Self-Propelled Rail Motorcars</i>												
29	Electric passenger cars [EP, ET]											
30	Electric combined cars [EC]											
31	Internal combustion rail motorcars [ED, EG]											
32	Other self-propelled cars Specify types:											
33	Total (lines 29 to 32)											
34	Total (lines 28 and 33)											
COMPANY SERVICE CARS												
35	Business cars [PV]	4						4		4	XXXX	
36	Boarding outfit cars [MWX]	285					9	276		276	XXXX	
37	Derrick and snow removal cars [MWU, MWV, MWW, MWK]										XXXX	
38	Dump and ballast cars [MWB, MWD]	132				50	2	30	150	180	XXXX	
39	Other maintenance and service equipment cars	1139				39	49	980	149	1129	XXXX	
40	Total (lines 35 to 39)	1560				89	60	1290	299	1589	XXXX	

Road Initials L&N

Year 1978

710. INVENTORY OF EQUIPMENT—Continued

Instructions for reporting freight-train car data:

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

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

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

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

Line No.	Class of equipment and car designations	Units in service of respondent at beginning of year		Changes During the Year			
		Time-mileage cars	All others	Units Installed			
				New units purchased or built	New units leased from others	Rebuilt units acquired and rebuilt units rewritten into property accounts ¹	All other units, including reclassification and second hand units purchased or leased from others
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
FREIGHT TRAIN CARS							
41	Plain Box Cars - 40' (B100-129)	3219					1
42	Plain Box Cars - 50' (B200-229; B300-329)	3881					99
43	Equipped Box Cars (All Code A)	9102		108			205
44	Plain Gondola Cars (G092-392; G401-492)	5367					210
45	Equipped Gondola Cars (All Codes C and E)	653					13
46	Covered Hopper Cars (L151-154; 251-254; 351-354; 451-454; 551-554; 651-654; 751-754)	4964	71			33	83
47	Open Top Hopper Cars - General Service (All Code H)	33345		450			918
48	Open Top Hopper Cars - Special Service (All Codes J and K)	435					
49	Refrigerator Cars - Non-mechanical (R100, 101, 102, 103, 105, 106, 107, 108, 109, 113, 114, 115, 116, R200, 201, 202, 203, 205, 206, 207, 208, 209, 213, 214, 215, 216)	368	257				1
50	Refrigerator Cars - Mechanical (R104, 110, 111, 112, 117, 118, R204, 210, 211, 212, 217, 218)						
51	Flat Cars - TOFC/COFC (F071-078; F871-978)	11					
52	Flat Cars - Multi-level (All Code V)	49					
53	Flat Cars - General Service (F101-109; F201-209)	312					25
54	Flat Cars - Other (F111-189; 211-289; 301-389; 401-540)	727					15
55	Tank Cars - Under 22,000 Gallons (T-0, T-1, T-2, T-3, T-4, T-5)						
56	Tank Cars - 22,000 Gallons & Over (T-6, T-7, T-8, T-9)						
57	All Other Freight Cars (F191-199; 291; 391; L006-048; L070, L080, L090 - All "L" with second numeric 6; L161-L764; T-770; All Class S)	1704					3
58	Total (lines 41 to 57)	64137	328	558		33	1573
59	Caboose (All N)	XXXX	502				
60	Total (lines 58, 59)	64137	830	558		33	1573

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

New units purchased or built

Units rebuilt or acquired

General funds

Incentive funds

General funds

Incentive funds

710. INVENTORY OF EQUIPMENT—Continued

4. Column (m) should show aggregate capacity for all units reported in columns (k) and (l), as follows: for freight-train cars, report the nominal capacity (in tons of 2,000 lbs) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to carry customarily.

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

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

Changes during year (Concluded)	Units At Close of Year						Line No.
Units retired from service of respondent whether owned or leased including re-classification	Owned and used	Leased from others	Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col. (k) & (l) (see ins. 4)	Leased to others	
			Time-mileage cars	All other			
(h)	(i)	(j)	(k)	(l)	(m)	(n)	
430	1694	1096	2790		151215		41
102	3202	676	3878		286061		42
372	5788	3255	9043		570141	2	43
293	4439	845	5284		407853		44
33	587	46	633		50534		45
204	3981	966	4882	65	453362		46
2628	28471	3614	32085		2552434		47
1	434		434		37063		48
							49
148	13	465	368	110	31933		50
							51
3	8		8		475		52
1	48		48		3120		53
35	226	76	302		16269		54
22	662	58	720		57209		55
							56
							57
92	1595	20	1615		112587		58
4364	51148	11117	62090	175	4730256	2	59
4	498		XXXXX	498	XXXXXXX		60
4368	51646	11117	62090	673	4730256	2	

710. INVENTORY OF EQUIPMENT—Concluded

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

Line No.	Class of equipment and car designations	Units in service of respondent at beginning of year		Changes During the Year			
		Per diem	All other	Units Installed			
				New units purchased or built	New units leased from others	Rebuilt units acquired and rebuilt units re-written into property accounts	All other units, including reclassification and second hand units purchased or leased from others
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	FLOATING EQUIPMENT						
61	Self-propelled vessels [Tugboats, car ferries, etc.]	X X X X					
62	Non-self-propelled vessels [Car floats, lighters, etc.]	X X X X					
63	Total (lines 61 and 62)	X X X X					
	HIGHWAY REVENUE EQUIPMENT						
64	Bogie-chassis						
65	Dry van	3583			526	823	1943
66	Flat bed	438					290
67	Open top	348					
68	Mechanical refrigerator						
69	Bulk						
70	Insulated						596
71	Platform removable sides						36
72	Other trailer or container						
73	Tractor						
74	Truck						
75	Total (lines 64 to 74)	4369			526	823	2865

NOTES AND REMARKS

710. INVENTORY OF EQUIPMENT - Concluded

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

Changes during year (Concluded)	Units At Close of Year						Line No.
Units retired from service of respondent whether owned or leased, including reclassification	Owned and used	Leased from others	Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col. (k) & (l) (see ins. 4)	Leased to others	
			Pier diem	All other			
(h)	(i)	(j)	(k)	(l)	(m)	(n)	
			X X X X				61
			X X X X				62
			X X X X				63
							64
83		6792	6792		152728		65
5		723	723		15461		66
3		345	345		6900		67
							68
							69
1		595	595		13983		70
		36	36		846		71
							72
							73
							74
92		8491	8491		189918		75

NOTES AND REMARKS

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

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

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

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

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

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

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

7. Report dollars in thousands.

NEW UNITS

Line No.	Class of equipment (a)	Number of units (b)	Total weight (tons) (c)	Total cost (d)	Method of acquisition (see instructions) (e)
1	Locomotives:				
2	Diesel Switching A Units (BB)1500 HP	10	1220	4,413	P
3					
4	Freight-Train Cars:				
5	Steel Hoppers,O.T.100-ton HT	450	14400	13,653	P
6	Steel Box Cars,100-ton,86'6",XP,SS	8	452	471	P
7	Steel Box Cars,100-ton,52'6",XL,SS	100	4100	4,647	P
8					
9	The following units were acquired				
10	in the year 1977 but not reported				
11	because the total cost was unde-				
12	termined:				
13					
14	Steel Hoppers,Cov'd,100-ton LO	150	4538	4,196	P
15	Steel Box Cars,100-ton,60'9",XP,SS	45	1982	2,119	P
16	Steel Box Cars,100-ton,86'6",XP,SS	22	1252	1,224	P
17					
18	Note: Part (6) of the instructions				
19	does not apply to any of the un-				
20	equipped box cars listed on this				
21	schedule				
22					
23					
24					
25	TOTAL	785	XXXX	30,723	XXXX

REBUILT UNITS

26	Steel Hoppers, Cov'd,100-ton LO	33	1081	735	S
27					
28	The following units were acquired				
29	in the year 1977 but not reported				
30	because the total cost was unde-				
31	termined:				
32					
33	Steel Hoppers, Cov'd, 100ton LO	47	1539	1,047	S
34					
35					
36					
37					
38	TOTAL	80	XXXX	1,782	XXXX
39	GRAND TOTAL	865	XXXX	32,505	XXXX

NOTES AND REMARKS

(Continued From Page 111)

Agreement dated June 28, 1978, between Bankers Trust Company and Louisville and Nashville Railroad Company, covering advances from said bank, not to exceed \$750 for purchase of two Model LG3264R Little Giant Crane Carriers, one Nordberg Model CZ Propelled Adzer, 1 RMC Anchor Adjusting Machine, five John Deere 310A Backhoe Loaders, one Model EAS-JD-G Switch Electromatic Tamper, one standard Model 40 Burro Crane and one Link-Belt Diesel Pile Hammer, providing for repayment of advances (\$744) in 84 equal consecutive monthly installments commencing on June 1, 1979.

(H) Other contracts:

Equipment Lease Agreement dated February 1, 1978, between the Connecticut Bank and Trust Company, Lessor, and Louisville and Nashville Railroad Company, Lessee, covering 200 reconstructed box cars, 175 reconstructed open-top hopper cars, 250 reconstructed gondola cars, 80 reconstructed covered hopper cars, 40 reconstructed bulkhead flat cars, 50 reconstructed hopper cars to ballast cars and 33 reconstructed pulpwood to welded rail cars, for a term of ten years at a rental aggregating approximately \$15,364, payable in 20 consecutive semi-annual payments on April 20 and October 20 in each year, commencing October 20, 1979, to and including April 20, 1989.

Equipment Lease (Letter of Intent dated November 29, 1977), between Realco Services, Inc., Lessor, and Louisville and Nashville Railroad Company, Lessee, for lease of 4,184 RLNZ Series van trailers for a term of five years at a rental aggregating approximately \$39,690, payable in 60 consecutive monthly payments commencing July 1, 1978, to and including June 1, 1983.

Equipment Lease Agreement dated July 15, 1978, between The Liberty National Leasing Company, Lessor, and Louisville and Nashville Railroad Company, Lessee, covering 747 70-ton open-top hopper cars for a term of eight years at a rental aggregating approximately \$7,754, payable in 16 consecutive semi-annual payments on March 15 and September 15 in each year, commencing on March 15, 1979, to and including September 15, 1986.

715. HIGHWAY MOTOR VEHICLE OPERATIONS

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

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

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

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

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

A. OPERATED BY RESPONDENT
(Revenue and nonrevenue service)

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

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

B. OPERATED BY OTHERS
(Revenue service)

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

715. HIGHWAY MOTOR VEHICLE OPERATIONS—Concluded

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

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

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

Containers (e)	Semitrailers (f)	Tractors (g)	Trailers (h)	Trucks (i)	Combination bus-trucks (j)	Line No.
			4,369			1
			4,214			2
			92			3
			8,491			4
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX		5
XXXXXX		XXXXXX			XXXXXX	6
XXXXXX				XXXXXX	XXXXXX	7
						8
						9
XXXXXX	XXXXXX	XXXXXX	XXXXXX		XXXXXX	10
XXXXXX	XXXXXX	XXXXXX	XXXXXX		XXXXXX	11
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	12
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	13
XXXXXX	XXXXXX	XXXXXX	XXXXXX		XXXXXX	14
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	15
				985		16
				158		17
				117		18
				1,026		19

B. OPERATED BY OTHERS—Concluded
(Revenue service)

Containers (e)	Semitrailers (f)	Tractors (g)	Trailers (h)	Truck (i)	Combination bus-trucks (j)	Line No.
XXXXXX	XXXXXX	XXXXXX	XXXXXX	72,824	XXXXXX	20
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	21
XXXXXX	XXXXXX	XXXXXX	XXXXXX	2,112,528	XXXXXX	22
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	23

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

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

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

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

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

Line No.	Name and address of highway motor-vehicle enterprise (a)	Nature of respondent's interest (b)	Date on which respondent's direct or indirect interest was originally acquired (c)
1			
2			
3	NONE		
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

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

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

Track category

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

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

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

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

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

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

720. TRACK AND TRAFFIC CONDITIONS

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

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

Line No.	Track category (a)	Mileage of tracks at end of period (b)	Average annual traffic density in millions of gross ton-miles per mile (c)	Average running speed limit (d)	Average speed reduction per slow order mile (e)	Miles under slow orders at end of period (f)
1	A	2,987	25,045,000	45	5	170.7
2	B	1,851	11,075,000	38	8	85.5
3	C	991	2,160,000	27	12	226.0
4	D	1,469	395,000	25	16	311.0
5	E	2,492	N.A.	N.A.	N.A.	N.A.
6	F		N.A.	N.A.	N.A.	N.A.
7	Potential abandonments	309		15	2	9.5
8	Total	10,099				802.7

721. TIES LAID IN REPLACEMENT

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

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

Line No.	Track Category (a)	Number of ties laid in replacement							Total (i)	% of Spot Maintenance (j)
		New Ties				Second-hand ties				
		Wooden		Concrete (d)	Other (e)	Wooden		Other (h)		
		Treated (b)	Untreated (c)			Treated (f)	Untreated (g)			
1	A	407,513							407,513	15%
2	B	317,942							317,942	11%
3	C	79,787							79,787	22%
4	D	52,834							52,834	34%
5	E	100,564							100,564	22%
6	F									
7	Potential Abandonments	9,268							9,268	35%
8	Total	967,908							967,908	16%

Remarks

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

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

In column (a) classify the ties as follows:

(U) Wooden ties untreated when applied.

(T) Wooden ties treated before application.

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

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

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

Line No.	Class of ties	CROSSTIES			SWITCH AND BRIDGE TIES			Remarks
		Total number of ties applied	Average cost per tie	Total cost of crossties laid in new tracks during year	Number of feet (board measure) laid in tracks	Average cost per M feet (board measure)	Total cost of switch and bridge ties laid in new tracks during year	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
1	T	54,785	\$ 6.82	\$ 373	502,530	\$ 278.60	\$ 140	New
2	T	1,013	.60	1	8,010	163.20	1	SH
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20	Total	55,798	6.71	374	510,540	276.78	141	
21	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which ties were laid						5.35 Trk.Miles	
22	Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid						14.02 " "	

Column (d) line 1 excludes \$75,283.31 credit adjustment of prior year charges.

723 RAILS LAID IN REPLACEMENT

102

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

Line No.	Track category (a)	Miles of rail laid in replacement (rail-miles)				Total (f)	Percent of spot maintenance (g)
		New rail		Relay rail			
		Welded rail (b)	Bolted rail (c)	Welded rail (d)	Bolted rail (e)		
1	A	146.06	2.24	81.32	29.76	259.38	15%
2	B	1.80	.44		40.26	42.50	97%
3	C		.12		9.74	9.86	96%
4	D		.04		4.18	4.22	90%
5	E	.02	1.70	.02	39.82	41.56	72%
6	F						
7	Potential Abandonments				1.26	1.26	100%
8	Other			.			
9	TOTAL	147.88	4.54	81.34	125.02	358.78	39%

Remarks

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

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

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

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

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

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

Line No.	Class of rail	RAIL APPLIED IN RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				RAIL APPLIED IN YARD, STATION, TEAM, INDUSTRY, AND OTHER SWITCHING TRACKS			
		Weight of Rail		Total cost of rail applied in running tracks, passing tracks, cross-overs, etc., during year	Average cost per ton (2,000 lb.)	Weight of Rail		Total cost of rail applied in yard, station, team, industry, and other switching tracks during year	Average cost per ton (2,000 lb.)
		Pounds per yard of rail	Number of tons (2,000 lb.)			Pounds per yard of rail	Number of tons (2,000 lb.)		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	2	132	758	229	302.40	132	233	76	326.12
2	4	132	429	24	56.16	132	233	8	34.33
3	4					115	6	x	26.83
4	4					112	1	x	39.83
5	4					110	3	x	40.05
6	2					100	222	84	375.31
7	4	100	44	2		100	1430	65	45.20
8	4					90	430	17	39.97
9									
10									
11									
12									
13									
14									
15									
16	Total	X X X	1231	255	207.41	X X X	2558	250	97.56
17	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which rails were laid							5.35	Trk. Miles
18	Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid							14.02	" "
19	* Track-miles of welded rail installed this year 8.78 : total to date 2029.55 *								

725. WEIGHT OF RAIL

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

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

Line No.	Weight of rails per yard (a)	Line-haul companies (miles of main track) (b)	Switching and terminal companies (miles of all tracks) (c)	Remarks (d)
	Pounds			
1	58	.41		
2	68	2.71		
3	70	3.95		
4	75	.54		
5	80	364.01		
6	85	68.52		
7	90	1,066.74		
8	100	1,452.24		
9	110	62.64		
10	112	301.55		
11	115	596.97		
12	119	73.90		
13	132	2,718.93		
14				
15				
16				

Railroad Annual Report R-1 * Total welded rail charged to Accts. 731 & 732 to 12-31-75 to which new construction only since that date has been added.

726. SUMMARY OF TRACK MAINTENANCE

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

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

Line No.	Track category (a)	Ties		Rail		Ballast	Track surfacing	
		Number of ties replaced (b)	Percent replaced (c)	Miles of rail replaced (rail-miles) (d)	Percent replaced (e)	Cubic yards of ballast placed (f)	Miles surfaced (g)	Percent surfaced (h)
1	A	407,513	5	259.38	4	220,934	924.8	31
2	B	317,942	6	42.50	1	132,560	356.9	19
3	C	79,787	3	9.86	1	73,645	97.3	10
4	D	52,834	1	4.22	1	103,103	64.9	4
5	E	100,564	1	41.56	1	184,112	178.5	7
6	F							
7	Potential abandonments	9,268	1	1.26		22,093		
8	Total	967,908	4	358.78		736,447	1,622.4	16

727. TEN-YEAR SUMMARY OF TRACK MAINTENANCE

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

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

Line No.	Year (a)	Ties		Rail		Ballast	Track surfacing	
		Number of ties replaced (b)	Percent replaced (c)	Miles of rail replaced (rail-miles) (d)	Percent replaced (e)	Cubic yards of ballast placed (f)	Miles surfaced (g)	Percent surfaced (h)
1	Current year	967,908	4	358.78	2	736,447	1,622.4	16
2	First preceding	915,054	3	460.38	2	763,272	1,712.6	17
3	Second preceding	894,768	3	406.92	2	901,637	1,865.1	18
4	Third preceding	882,626	3	275.64	1	812,196	1,733.3	17
5	Fourth preceding	589,710	2	480.58	2	845,340	1,719.4	17
6	Fifth preceding	591,400	2	429.94	2	818,434	1,547.1	15
7	Sixth preceding	488,239	2	495.86	2	929,588	N/A	
8	Seventh preceding	908,483	3	815.54	4	922,176	N/A	
9	Eighth preceding	767,057	3	626.38	3	850,549	N/A	
10	Ninth preceding	665,090	3	600.38	3	759,929	N/A	

N/A - Not Available

1971 Acquisition of Monon Railroad

REMARKS

728. DEFERRED MAINTENANCE-TRACKS

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

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

Remarks

As stated by the ICC, the subjective nature of deferred maintenance cannot be overcome by any definition. The criteria used in making the above determination are in accordance with that prescribed by the ICC in Docket 36557, "... the accrued deterioration or deficiency in the physical operating condition of railroad track structures. . . which produces an adverse effect on railroad operation to an extent that services to shippers have been rendered partially or wholly inadequate and/or has resulted in diminishing the railroads' competitive ability; . . ." The conclusions reached were based on a line by line analysis conducted by a special committee consisting of officers of the Engineering, Transportation, Traffic and Accounting Departments.

745. SWITCHING AND TERMINAL TRAFFIC AND CAR STATISTICS

(For switching and terminal companies only)

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

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

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

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

NOTES AND REMARKS

750. CONSUMPTION OF FUEL BY MOTIVE-POWER UNITS

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

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

A. LOCOMOTIVES

Line No.	Kind of locomotive service (a)	Diesel	Electric	Other (Steam, Gas Turbine, Etc.)	
		Diesel oil (gallons) (b)	Kilowatt-hours (c)	Coal (tons) (d)	Fuel oil (gallons) (e)
1	Freight _____	156,445,449			
2	Passenger _____				
3	Yard switching _____	16,648,797			
4	Total _____	173,094,246			
5	Cost of Fuel* _____	67,179 \$ 1,261,037	\$	\$	\$
6	Work Train _____	1,341,637			

B. RAIL MOTORCARS

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

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

760. GRADE CROSSINGS—Continued B—Railroad With Highway

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

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

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

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

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

TYPES OF PROTECTION FOR, AND NUMBERS OF CROSSINGS AT GRADE

Line No.	Item of Annual Change (a)	Automatic gates with flashing lights (b)	Automatic flashing light signals (c)	Gates manually operated		Watchmen only		Audible signals only (h)	Other automatic signals (i)	Total indicating warning of train approach (j)	"Railroad crossing" crossbuck (k)	Crossbuck signs with other fixed signs (l)	Other fixed signs only (m)	No signs or signals (n)	Total crossings at grade (o)
				24 hours per day (d)	Less than 24 hours per day (e)	24 hours per day (f)	Less than 24 hours per day (g)								
1	Number at beginning of year	320	1,461					24	34	1,839	3,860	1,039		1,232	7,970
2	Added: By new, extended or relocated highway	5	10							15					15
3	By new, extended or relocated railroad														
4	Total added	5	10							15					15
5	Eliminated: By closing or relocation of highway		1							1					1
6	By relocation or abandonment of railroad														
7	By separation of grades														
8	Total eliminated		1							1					1
9	Changes in protection: Number of each type added	58	49						49	156		81	215		452
10	Number of each type deducted		13					15		28	63			529	620
11	Net of all changes	63	45					(15)	49	142	(63)	81	215	(529)	(154)
12	Number at close of year	383	1,505					9	83	1,981	3,797	1,120	215	703	7,816
13	Number at close of year by States:														
14	Alabama	29	162						8	199	272	685	110	109	1,375
15	Florida	36	45					1	1	83	138	27		7	255
16	Georgia	31	51							82	114	103	20	18	337
17	Illinois	20	76						3	99	199	3		20	321
18	Indiana	47	405					6	44	503	739	45	8		1,295
19	Kentucky	148	419					1	16	584	1,151	44	25	263	2,067
20	Louisiana	6	5							11		8	7	3	29
21	Mississippi	5	34							39		109	16		164
22	Missouri														
23	North Carolina										3	4		1	8
24	Ohio														
25	Tennessee	57	305					1	11	374	1,156	91	29	279	1,929
26	Virginia	4	3							7	25	1		3	36

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761. GRADE SEPARATIONS
Highway-Railroad

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

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

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

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

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

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

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

Line No.	Items of Annual Change (a)	Types and numbers of highway-railroad grade separations		
		Overpass (Highway above railroad) (b)	Underpass (Railroad above highway) (c)	TOTAL (d)
1	Number at beginning of year	770	581	1,351
2	Added: By new, extended or relocated highway	10	1	11
3	By new, extended or relocated railroad			
4	By elimination of grade crossing			
5	Total added	10	1	11
6	Deducted: By closing or relocation of highway			
7	By relocation or abandonment of railroad	5	8	13
8	Total deducted	5	8	13
9	Net of all changes	5	(7)	(2)
10	Number at close of year	775	574	1,349
	Number at close of year by States:			
11				
12	Alabama	14	63	208
13	Florida	13	4	17
14	Georgia	60	22	82
15	Illinois	11	12	23
16	Indiana	54	40	94
17	Kentucky	224	196	420
18	Louisiana	3	1	4
19	Mississippi	3	1	4
20	North Carolina	1		1
21	Ohio	1	1	2
22	Tennessee	257	220	477
23	Virginia	3	14	17
24				
25				
26				
27				
28				
29				

860. CONTRACTS, AGREEMENTS, ETC.

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

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

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

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

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

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

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

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

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

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

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

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

(f) Equipment purchased under conditional sale contracts:

Conditional Sale Agreement dated June 15, 1976, between L&N Investment Corporation and Louisville and Nashville Railroad Company, and Assignment and Agreement dated June 15, 1976, with Citibank, N.A., as Agent, covering 80 100-ton covered hopper cars, providing for \$1,782 to be paid in 20 consecutive equal semi-annual installments commencing on October 30, 1977, to and including April 20, 1987.

Conditional Sale Agreement dated February 15, 1978, between Bethlehem Steel Corporation and General Motors Corporation (Electro-Motive Division), Builders, and Louisville and Nashville Railroad Company, and Assignment and Agreement dated February 15, 1978, between the Builders and Mercantile-Safe Deposit and Trust Company, as Agent, covering 437 100-ton open-top quadruple hopper cars and ten MP15-AC diesel-electric locomotives, providing for \$17,584 to be repaid in 30 consecutive equal semi-annual installments on April 20 and October 20 in each year commencing on October 20, 1978, to and including April 20, 1993.

Conditional Sale Agreement dated August 15, 1978, between Fruit Growers Express Company and Pullman Incorporated (Pullman-Standard Division), Builders, and Louisville and Nashville Railroad Company, and Assignment and Agreement dated August 15, 1978, between the Builders and Mercantile-Safe Deposit and Trust Company, as Agent, covering 43 100-ton CUF box cars and 100 100-ton CUF box cars with heavy-duty bulheads, providing for \$4,647 to be repaid in 30 consecutive equal semi-annual installments on February 20 and August 20 in each year commencing on August 20, 1979, to and including February 20, 1994.

(Continued on page 95)

850. COMPETITIVE BIDDING--CLAYTON ANTITRUST ACT

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

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

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

	Nature of bid (a)	Date Published (b)	Contract number (c)	No. of bidders (d)	Method of awarding bid (e)	Date filed with the Commission (f)	Company awarded bid (g)
1	30-60' 100 ton Auto	3-28&31-78	78-1	1	Sole bidder	May 12, 1978	Fruit Grower Express Co.
2	Parts Box Cars	4-4&7-78					1101 Vermont Ave. NW
3							Washington, D.C. 20005
4							D. L. Morris, Director
5							
6	13-60' 100 ton Auto	9-26&29-78	78-2	1	Sole bidder	Nov. 14, 1978	Fruit Grower Express Co.
7	Parts Box Cars	10-3&6-78					1101 Vermont Ave., N.W.
8							Washington, D.C. 20005
9							D. L. Morris, Director
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

900. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

1. In columns (a) and (b) enter the name and position of each of the persons named in Schedule 110 of this report to whom the respondent paid the largest amount during the year in compensation for current or past service over and above necessary expenses incurred in discharge of duties. In addition, list all other officers, directors, pensioners or employees, if any, to whom the respondent paid \$75,000 or more in total compensation during the year.

2. The salary per annum to be entered in column (c) is the annual rate at which an employee is paid rather than the amount actually paid for a part of a year. If the salary of an individual was increased or decreased during the year, show salary before each change as well as at close of year.

3. If an officer, director, etc., receives compensation from one or more of the affiliated companies listed in Schedule 112 reference to this fact should be made if the aggregate compensation from all companies amounts to \$75,000 or more.

4. Report in column (d) the total amount of compensation other than annual salary paid to each listed employee during the year. This includes forms of nonmonetary compensation given which directly benefits each employee. Examples:

Fair value of property given, such as exclusive use of an automobile;

Amounts paid for membership of the employee in nonbusiness associations, private clubs, etc.;

Commissions, bonuses, shares in profits;

Contingent compensation plans;

Monies paid or accrued for any pension, retirement, savings, retirement annuities, deferred compensation, or similar plan;

Premiums on life insurance where the respondent is not the beneficiary. Do not report premiums on group life insurance for benefits less than \$75,000.

Give the details of any plan not previously reported, the basis of determining the ultimate benefits payable, and the payments or provisions made during the year.

5. Also include in column (d) all remuneration paid, directly or indirectly, in the form of securities, options, warrants, rights or other property. Furnish particulars concerning any options, warrants, or rights issued or granted during the year including prices, expiration dates and other information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by each officer, director, etc.

(Dollars in thousands)

Line No.	Name of person (a)	Position or Title (b)	Salary per annum as of close of year (see instructions) (c)	Other compensation during the year (d)
1	R. D. Spence	President	\$ 156	\$ 2
2	P. M. Lanier	Exec. Vice President	90	
3		August 1, 1978	100	
4		September 1, 1978	108	45
5	D. L. Morris	Vice Pres. & Compt.	65	
6		September 1, 1978	70	32
7	J. L. Lenihan	Vice President	53	
8		September 1, 1978	58	28
9	C. H. Edwards	V.P.-Secy. & Treas.	48	
10		September 1, 1978	51	27
11	K. C. Dufford	Vice President	53	
12		September 1, 1978	58	23
13	C. D. Leddon	Vice President	50	
14		February 1, 1978	60	
15		September 1, 1978	63	23
16	J. I. Adams	Asst. Vice President	48	
17		February 1, 1978	50	
18		May 1, 1978	52	
19		July 1, 1978	56	
20		December 1, 1978	58	22
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31	NOTE - For compensation paid other officers, directors, etc., see Schedule 900			
32	of Seaboard Coast Line Railroad Company's Annual Report Form R-1 for			
33	1978.			
34				
35				
36				
37				
38				

VERIFICATION

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

OATH

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

State of Kentucky

County of Jefferson

D. L. Morris

(Insert here name of the affiant)

makes oath and says that he is Vice President and Comptroller

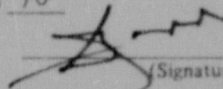
(Insert here the official title of the affiant)

Of Louisville and Nashville Railroad Company

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

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

January 1, 1978, to and including December 31, 1978



(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 31 day of March, 1979

My commission expires January 26, 1981

Use an

L.S.

impression seal

(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of Kentucky

County of Jefferson

R. D. Spence

(Insert here name of the affiant)

makes oath and says that he is President

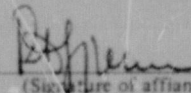
(Insert here the official title of the affiant)

Of Louisville and Nashville Railroad 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 operations of its property during the period of time from and including

January 1, 1978, to and including December 31, 1978



(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 31 day of March, 1979

My commission expires January 26, 1981

Use an

L.S.

impression seal

(Signature of officer authorized to administer oaths)

