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REFRIGERATOR CAR LINES

annual report

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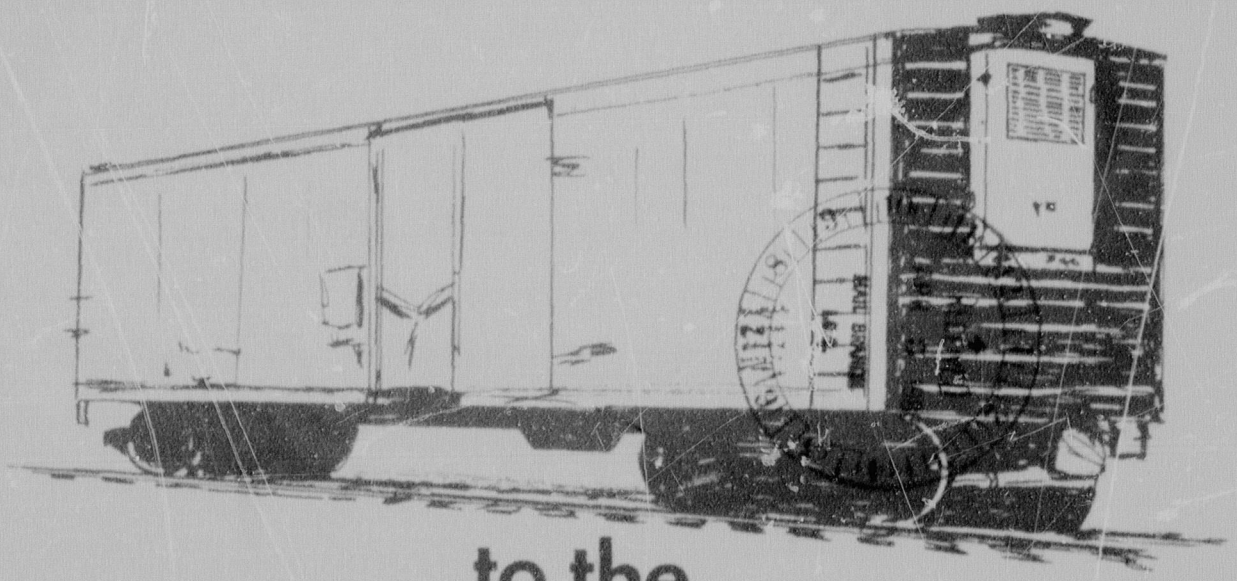
	MERCHANTS DESPATCH TRANSPORTATION CORPORATION [illegible]00 RIDGE PIKE CONSHOHOCKEN, PA 19428
Correct name and address if different than shown.	Full name and address of reporting carrier. (Use mailing labbel on original, copy in full on duplicate.)



to the
Interstate Commerce Commission

FOR THE YEAR ENDED DECEMBER 31, 1979

NOTICE

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

Sec. 1(3). The term "person" as used in this part includes an individual, firm, copartnership, corporation, company, association, or joint-stock association; and includes a trustee, receiver, assignee, or personal representative thereof.

Sec. 20(6). The Commission or any duly authorized special agent, accountant, or examiner thereof shall at all times have authority to inspect and copy any and all accounts, books, records, memoranda, correspondence, and other documents, of persons which furnish cars or protective service against heat or cold to or on behalf of any carrier by railroad or express company subject to this part: *Provided, however,* That such authority shall be limited to accounts, books, records, memoranda, correspondence, or other documents which pertain or relate to the cars or protective service so furnished. The Commission shall further have authority, in its discretion, to prescribe the forms of any or all accounts, records, and memoranda which it is authorized by this paragraph to inspect and copy, and to require the persons furnishing such cars or protective service, as aforesaid, to submit such reports and specific and full, true, and correct answers to such questions, relative to such cars or service, as the Commission may deem necessary. Persons furnishing such cars or protective service shall submit such accounts, books, records, memoranda, correspondence, or other documents, to the extent above provided, for inspection or copying to any duly authorized special agent, accountant, or examiner of the Commission upon demand and the display of proper credentials.

Sec. 20(7)(a). In case of failure or refusal on the part of any carrier, lessor, or other person to keep any accounts, records, and memoranda in the form and manner prescribed, under authority of this section, by the Commission, or to submit any accounts, books, records, memoranda, correspondence, or other documents to the Commission or any of its authorized agents, accountants, or examiners for inspection or copying, as required under this section, such carrier, lessor, or person shall forfeit to the United States not to exceed $500 for each such offense and for each day during which such failure or refusal continues.

Sec. 20(7)(b). Any person who shall knowingly and willfully make, cause to be made, or participate in the making of, any false entry in any annual or other report required under this section to be filed, * * * or shall knowingly or willfully file with the Commission any false report or other document, shall be deemed guilty of a misdemeanor and shall be subject, upon conviction in any court of the United States of competent jurisdiction to a fine of not more than five thousand dollars or imprisonment for not more than two years, or both such fine and imprisonment; * * *

Sec. 20(7)(c). Any carrier or lessor, or person furnishing cars or protective service, or any officer, agent, employee, or representative thereof, who shall fail to make and file an annual or other report with the Commission within the time fixed by the Commission, or to make specific and full, true, and correct answer to any question within thirty days from the time it is lawfully required by the Commission so to do, shall forfeit to the United States the sum of one hundred dollars for each and every day it shall continue to be in default with respect thereto.

2. The instructions in this Form should be carefully observed, and each question should be answered fully and accurately. If any inquiry is inapplicable to the person in whose behalf the report is made, such notation as "Not applicable" should be used in answer thereto. Where the word "None" truly and completely states the fact, it should be given as the answer to any particular inquiry, or any particular portion of any inquiry. Where dates are called for, the month and day should be stated as well as the year. Customary abbreviations may be used in stating dates.

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

4. All entries should be made in permanent black ink, except those of a contrary character, which should be indicated in parenthesis. Items of an unusual character should be indicated by appropriate symbol and footnote.

5. Throughout this report the Commission means the Interstate Commerce Commission; the respondent means the person or company in whose behalf the report is made; the year means the year ended December 31 for which the report is made; the close of the year means the close of business on December 31 of the year for which the report is made or in case the report is made for a shorter period than one year, it means the close of the period covered by the report; the beginning of the year means the beginning of business on January 1 of the year for which the report is made or, in case the report is made for a shorter period than one year, it means the beginning of the period covered by the report; the preceding year means the year ended December 31 of the year next preceding the year for which the report is made; the Uniform System of Accounts means the system of accounts published as Part 1205 of Title 49, Code of Federal Regulations, as amended.

6. Money items, except averages, throughout the annual report form should be shown in WHOLE DOLLARS adjusted to accord with footings. Total for amounts reported in subsidiary accounts included in supporting schedules must be in agreement with related primary accounts.

7. Annual Report Form B-2 is provided for persons furnishing cars or protective service to railroad or express companies and owning 10 or more cars—excluding refrigerator car lines owned or controlled by railroads.

8. Should there be doubt as to the reporting of any item or items or parts thereof, or advice is desired relative to the preparation of the report, address an inquiry to the Bureau of Accounts for consideration and decision.

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; but it should be understood that mention is not made of necessary substitutions of dates, or in general, of such other things as simple modifications intended to make requirements clearer, other minor adjustments, and typographical corrections.

Page 4: Schedule 200. Comparative General Balance Sheet - Asset Side

Provision is made for reporting allowances for net unrealized loss on noncurrent marketable equity securities.

Page 5: Schedule 200. Comparative General Balance Sheet - Liability Side

Provision is made for reporting "unamortized discount and interest on long-term debt," and "unrealized loss on noncarrier merketable equity securities."

Page 6: Comparative Balance Sheet - Explanatory Notes

A new note has been added providing for reporting marketable equity securities. This note is to be completed only by carriers earning $10 million or more in gross operating revenues.

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ANNUAL REPORT

100. ORGANIZATION AND CONTROL

1. State full and exact name of respondent making this report:
MERCHANTS DESPATCH TRANSPORTATION CORPORATION

2. Name, title, telephone number, and address of person to whom correspondence concerning this report should be addressed:
Philip W. Allen (Name) — Assistant Controller (Title)
215 (Area code) — 825 - 5900, extension 40 (Telephone number)
1100 Ridge Pike (Number) (Street) — Conshohocken (City) — Pennsylvania 19428 (State)

3. Address of office where accounting records are maintained:
1100 Ridge Pike (Number) (Street) — Conshohocken (City) — Pennsylvania 19428 (State)

4. Respondent is A Corporation (Individual, partnership, corporation, association, etc.)

5. If a partnership, state the names and address of each partner, including silent or limited, and their interests:

Name	Address	Proportion of interest

6. If a corporation, association, or other similar form of enterprise:

A. Incorporation or organization was—
In the State of Delaware on December 18, 19 36

B. The directors' names, addresses, and terms of office are:

Name	Address	Term expires
H. S. McDonald	Conshohocken, Pennsylvania	Upon Election
A. M. Baldwin	Philadelphia, Pennsylvania	Or Appointment
R. T. Fox (resigned 12/31/79)	Philadelphia, Pennsylvania	Of Successor
R. E. Mortensen (appointed 3/4/80)	Philadelphia, Pennsylvania	"

C. The names and titles of principal general officers are:

Name	Title
H. S. McDonald	President & Acting Treasurer
F. C. Underwood	V.P.-Perishable Operations
R. C. Sullivan	Secretary
R. L. Hohl	Controller

7. Voting power, elections and stockholders:

A. Total voting securities outstanding:

(1) Common	78,750 shares	78,750 votes
(2) Preferred	shares	votes
(3) Preferred	shares	votes
(4) Other securities	shares	votes

B. Does any class of securities carry any special privileges in any elections or in the control of corporate action? NO If so, describe each such class or issue, showing the character and extent of such privileges.

C. Date of the latest closing of the stock book, or listing of stockholders, if within 1 year prior to the actual filing of this report _____ If book is not closed or list prepared within year indicated, check here [X] (Check) and answer item 7-D as of December 31, of the year of this report.

D. State for each class of stock the total number of stockholders of record, corresponding to the answer to item 7-C.

Common	One (1)
1st preferred	
2d preferred	
Other	

100. ORGANIZATION AND CONTROL—Continued

8. Give names and addresses of ten stockholders of the respondent who at the date of latest closing of stock book or compilation of list of stockholders had the highest voting powers in the respondent company, showing also for each the number of votes which he would have had a right to cast on that date had a meeting then been in order.

Line No.	Name of security holder (a)	Address (b)	Number of votes to which security holder was entitled (c)	NUMBER OF VOTES, CLASSIFIED			
				Common (d)	1st preferred (e)	2d preferred (f)	Other securities (g)
1	Consolidated Rail Corp.	Six Penn Center Plaza	78,750	78,750			
2		Philadelphia, PA					
3							
4							
5							
6							
7							
8							
9							
10							

9. If the respondent was formed as a result of consolidations or mergers during the year, name all constituent companies, and give specific reference to charters or general laws governing each organization, date and authority for each consolidation and each merger received from a regulatory body, and date of consummation:

10. If respondent was reorganized during the year, give name of original corporation and the laws under which it was organized, or name of owner or partners, the reason for the reorganization, and date or reorganization:

11. If respondent was subject to a receivership during the year state—

A. Date of receivership
B. Court of jurisdiction under which operations were conducted
C. Date when possession under it was acquired
D. Name of receiver, receivers, or trustee

12. If any individual, individuals, association, or corporation held control, as trustee, other than receivership, over the respondent at the close of the year, state—

A. Date of trusteeship
B. Authority for trusteeship
C. Name of trustee
D. Name of beneficiary or beneficiaries
E. Purpose of trust

13. List of companies under common control with respondent:

Line No.	SEE SCHEDULE 310A OF FORM B-1 OF CONSOLIDATED RAIL CORPORATION
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	

100. ORGANIZATION AND CONTROL—Concluded

14. Furnish complete list showing all companies controlled by respondent, either directly or indirectly. List under each directly controlled company the companies controlled by it and under each such company others of more remote control. Each step of control should be appropriately indented from the left margin. After each company state the percentage, if any, of the voting power represented by securities owned by the immediately controlling company.

Line No.	
1	NONE
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	

15. Furnish complete list showing corporations controlling the respondent. Commence with the company which is most remote and list under each such company the company immediately controlled by it. Each step of control should be appropriately indented from the left margin. After each company state the percentage, if any, of the voting power represented by securities owned by the immediately controlling company. Where any company listed is immediately controlled by or through two or more companies jointly, list all such companies and list the controlled company under each of them, indicating its status by appropriate cross references.

Line No.	
1	CONSOLIDATED RAIL CORPORATION 100%
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	

108. STOCKHOLDERS REPORTS

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

Check appropriate box:

- ☐ Two copies are attached to this report.
- ☐ Two copies will be submitted _____, (date)
- ☒ No annual report to stockholders is prepared.

200. COMPARATIVE GENERAL BALANCE SHEET—ASSET SIDE

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (a) should be restated to conform with the accounting requirements followed in column (c). The entries in the sheet column (b)$_2$ should be deducted from those in column (b)$_1$ in order to obtain corresponding entries for column (c). All contra entries hereunder should be indicated in parentheses.

Line No.	Balance at beginning of year (a)	Item (b)			Balance at close of year (c)
	$				$
		CURRENT ASSETS			
1	119,222	(701) Cash			(49,933)
2	9,084,000	(702) Temporary cash investments			15,106,000
3		(703) Special deposits (p. 7-D)			
4	80,805	(704) Loans and notes receivable (p. 20)			
5	10,662	(705) Mileage accounts receivable			21,924
6	1,154,057	(707) Miscellaneous accounts receivable			1,735,923
7	22,006	(708) Interest and dividends receivable			99,836
8	836,385	(709) Accrued accounts receivable			1,086,845
9	50	(710) Working fund advances			75
10	15,204	(711) Prepayments			29,186
11	98,255	(712) Material and supplies			243,314
12	3,200	(713) Other current assets			4,496
13		(714) Deferred income tax charges (p. 28)			
14	11,423,846	Total current assets			18,277,666
		SPECIAL FUNDS	(b)$_1$ Total book assets at close of year	(b)$_2$ Respondent's own issues included in (b)$_1$	
15		(715) Sinking funds (p. 12)			
16		(716) Capital and other reserve funds (p. 12)			
17		(717) Insurance and other funds (p. 12)			
18		Total special funds			
		INVESTMENTS			
19		(721) Investments in affiliated companies (p. 13)			25,839
20		Undistributed earnings from certain investments in account 721 (p. 13A)			
21		(722) Other investments (p. 13)			241
22		(723) Reserve for adjustment of investment in securities—Credit			241
23		(724) Allowance for net unrealized loss on noncurrent marketable equity securities—Credit			
24		Total investments			25,839
		PROPERTIES			
25	49,283,116	(731) Cars or protective service property (p. 9)			41,558,867
26		(733) Acquisition adjustment			
27	49,283,116	Total cars or protective service property			41,558,867
28	34,008,219	(735) Accrued depreciation—Cars or protective service property (p. 10)			29,916,665
29	29,072	(736) Amortization of defense projects—Cars or protective service property			
30	34,037,291	Recorded depreciation and amortization (accounts 735 and 736)	29,916,665		11,642,202
31	15,245,825	Total cars or protective service property less recorded depreciation and amortization			11,642,202
32	1,582,710	(737) Miscellaneous physical property (p. 11)			1,582,710
33	936,436	(738) Accrued depreciation—Miscellaneous physical property (p. 11)			1,162,537
34	646,274	Miscellaneous physical property less recorded depreciation (account 737 less 738)			420,173
35	15,892,099	Total properties less recorded depreciation and amortization (line 28 plus line 31)			12,062,375
		OTHER ASSETS AND DEFERRED CHARGES			
36		(741) Other assets (p. 20)			
37	23,017	(743) Other deferred charges (p. 20)			
38		(744) Accumulated deferred income tax charges (p. 28)			
39	23,017	Total other assets and deferred charges			
40	27,338,962	Total Assets			30,365,880

For compensating balances not legally restricted, see Schedule 205

SEE COMPARATIVE BALANCE SHEET—EXPLANATORY NOTES ON PAGE 6

200. COMPARATIVE GENERAL BALANCE SHEET—LIABILITY SIDE

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (a) should be restated to conform with the accounting requirements followed in column (c). The entries in the short column (b₁) should be deducted from those in column (b₂) in order to obtain corresponding entries for column (c). All contra entries hereunder should be indicated in parenthesis.

Line No.	Balance at beginning of year (a)	Item (b)	(b₁) Total issued	(b₂) Held by or for respondent	Balance at close of year (c)
	$	**CURRENT LIABILITIES**			$
41	105,837	(751) Loans and notes payable (p. 22)			260,972
42	40,422	(753) Audited accounts and wages payable			39,143
43		(754) Miscellaneous accounts payable			
44		(755) Interest matured unpaid			
45		(756) Dividends matured unpaid			
46		(757) Unmatured interest accrued			
47		(758) Unmatured dividends declared			
48	1,806,372	(759) Accrued accounts payable			2,400,110
49	182,729	(760) Federal income taxes accrued (p. 23)			614,788
50	112,108	(761) Other taxes accrued (p. 23)			240,660
51		(762) Deferred income tax credits (p. 28)			
52	743,875	(763) Other current liabilities			394,705
53	2,991,343	Total current liabilities (exclusive of long-term debt due within one year)			3,950,378
		LONG-TERM DEBT DUE WITHIN ONE YEAR	(b₁) Total issued	(b₂) Held by or for respondent	
54	41,534	(764) Equipment obligations and other debt (pp. 15 and 16)			53,592
		LONG-TERM DEBT DUE AFTER ONE YEAR	(b₁) Total issued	(b₂) Held by or for respondent	
55		(765) Funded debt unmatured (pp. 21 and 22)			
56		(766) Equipment obligations (pp. 21 and 22)			
57		(766.5) Capitalized lease obligations (pp. 21 and 22)			
58		(767) Receivers' and Trustees' securities (pp. 21 and 22)			
59		(768) Debt in default (pp. 21 and 22)			
60	118,494	(769) Amounts payable to affiliated companies (p. 22)			80,337
61		(770.1) Unamortized discount on long-term debt			
62		(770.2) Unamortized premium on long-term debt			
63	118,494	Total long-term debt due after one year			80,337
		RESERVES			
64	36,272	(771) Pension and welfare reserves			68,616
65		(773) Equalization reserves			
66		(774) Casualty and other reserves			
67	36,272	Total reserves			68,616
		OTHER LIABILITIES AND DEFERRED CREDITS			
68		(781) Interest in default			
69	1,621	(782) Other liabilities (p. 23)			6,021
70	1,051	(784) Other deferred credits (p. 23)			
71	379,682	(785) Accumulated deferred income tax credits (p. 28)			453,238
72	382,354	Total other liabilities and deferred credits			459,259
		SHAREHOLDERS' EQUITY			
		Capital stock (Par or stated value)	(b₁) Total issued	(b₂) Nominally issued securities	
73	7,875,000	(791) Capital stock issued—Total			7,875,000
74	x x x x	Common stock (p. 24)			x x x x
75	x x x x	Preferred stock (p. 24)			x x x x
76		(792) Stock liability for conversion			
77		(793) Discount on capital stock			
78	7,875,000	Total capital stock			7,875,000
		Capital surplus			
79		(794) Premiums and assessments on capital stock (p. 24)			
80		(795) Paid-in surplus (p. 24)			
81	2,309,000	(796) Other capital surplus (p. 24)			2,309,000
82	2,309,000	Total capital surplus			2,309,000
		Retained income			
83		(797) Retained income—Appropriated (p. 7B)			
84	13,584,965	(798) Retained income—Unappropriated (p. 7B)			15,569,698
85		(798.1) Net unrealized loss on noncurrent marketable equity securities			
86	13,584,965	Total retained income			15,569,698
		TREASURY STOCK			
87		(798.5) Less: Treasury stock			
88	23,768,965	Total shareholders' equity			25,753,698
89	27,338,962	Total Liabilities and Shareholders' Equity			30,365,880

COMPARATIVE BALANCE SHEET—EXPLANATORY NOTES

Estimated accumulated net Federal income tax reduction realized since December 31, 1949 under section 168 (formerly section 124-A) of the Internal Revenue Code because of accelerated amortization of emergency facilities in excess of recorded depreciation _____ $ SEE NOTE

Estimated accumulated savings in Federal income taxes resulting from computing book depreciation under Commission rules and computing tax depreciation using the items listed below _____ $ SEE NOTE

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

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

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

Estimated accumulated net income tax reduction utilized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962, as amended _____ $ _____

If carrier elected, as provided in the Revenue Act of 1971, to account for the investment tax credit under the deferral method, indicate the total deferred investment tax credit at beginning of year _____ $ _____

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

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

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

Total deferred investment tax credit at close of year _____ $ _____

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 XXX

Investment tax credit carryover at year end _____ (Approximate) $ 25,000

Cost of pension plan:

Past service costs determined by actuarians at ~~XXXXXX~~ Balance at 1/1/79, Year end unavailable _____ $ 428,658

Total pension costs for year:

Normal costs _____ $ 10,401

Amortization of past service costs _____ $ 57,572

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

1. Changes in Valuation Accounts NONE

		Cost	Market	Dr. (Cr) to Income	Dr. (Cr) to Stockholders Equity
(Current year)	Current Portfolio	$	$	$	XXXXX
as of / /	Noncurrent Portfolio			XXXXX	$
(Previous year)	Current Portfolio			XXXXX	XXXXX
as of / /	Noncurrent Portfolio			XXXXX	XXXXX

2. At / / , gross unrealized gains and losses pertaining to marketable equity securities were as follows:

	Gains	Losses
Current	$	$
Noncurrent		

3. 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.

NOTE: The amount by which the Federal Income Taxes have been reduced under Section 168(formerly 124-A) and 167 of the IRS Code aggregated $443,988 at December 31, 1979, this estimated amount was obtained as follows:

Reserve for Depreciation per Federal Taxes	$ 31,882,066
Reserve for Depreciation per ICC Books	$ 30,957,091
	924,975
	X 48%
	$ 443,988

300. INCOME ACCOUNT

1. Give the Income Account of the respondent for the year in accordance with the rules prescribed in the Uniform System of Accounts.
2. All contra entries hereunder should be indicated in parenthesis.
3. Line 10 includes only dividends from investments accounted for under the cost method.

Line 15 includes only dividends accounted for under the equity method. Line 16 includes the undistributed earnings from investments accounted for under the equity method. Line 17 represents the earnings (losses) of investee companies accounted for under the equity method.

Line No.	Item (a)	Amount (b)
	ORDINARY ITEMS	$
	CAR LINES OPERATING INCOME	
1	(501) Car line operating revenues (p. 26)	10,940,907
2	(531) Car line operating expenses (p. 27)	8,755,413
3	(532) Car line tax accruals (p. 28)	1,106,438
4	(532-5) Provision for deferred taxes (p. 28)	73,555
5	(533) Rent payable for cars (p. 29)	284,936
6	Car line operating income (or loss)	720,565
	OTHER INCOME	
7	(502) Revenues from miscellaneous operations (p. 11)	319,056
8	(510) Miscellaneous rent income	
9	(511) Income form nonoperating property	
10	(513) Dividend income (from investments under cost only)	
11	(514) Interest income	1,242,150
12	(516) Income from sinking and other reserve funds	
13	(527) Release of premiums on funded debt	
14	(519) Miscellaneous income	250
15	Dividend income (from investments under equity only) $	x x x x x x
16	Undistributed earnings (losses) $	x x x x x x
17	Equity in earnings (losses) of affiliated companies (lines 15, 16)	
18	Total other income	1,561,456
19	Total income (or loss)	2,282,021
	MISCELLANEOUS DEDUCTIONS FROM INCOME	
20	(534) Expenses of miscellaneous operations (p. 11)	259,445
21	(535) Taxes on miscellaneous operating property (p. 11)	
22	(543) Miscellaneous rents	
23	(544) Miscellaneous tax accruals	
24	(551) Miscellaneous income charges	14,107
25	Total miscellaneous deductions	273,552
26	Income available for fixed charges (or loss)	2,008,469
	FIXED CHARGES AND OTHER DEDUCTIONS	
27	(546) Interest on funded debt:	
28	(a) Fixed interest not in default	
29	(b) Interest in default	
30	(c) Contingent interest	
31	(547) Interest on unfunded debt Capitalized Leases	23,736
32	(548) Amortization of discount on funded debt	
33	Total fixed charges and other deductions	23,736
34	(553) Unusual or infrequent items - Net-(Debit) credit*	
35	Income (loss) from continuing operations	1,984,733
	DISCONTINUED OPERATIONS	
36	(555) Income (loss) from operations of discontinued segments*	
37	(557) Gain (loss) on disposal of discontinued segments*	
38	Total income (loss) from discontinued operations (lines 36,37)	
39	Income (loss) before extraordinary items (lines 35,38)	1,984,733
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES	
40	(570) Extraordinary items Net-(Debit) credit (p. 29)	
41	(590) Income taxes on extraordinary items-Debit (credit) (p. 29)	
42	(591) Provision for deferred taxes-Extraordinary items (p. 28)	
43	Total extraordinary items (lines 40-42)	
44	(592) Cumulative effect of changes in accounting principles*	
45	Total extraordinary items and accounting changes-(Debit) credit-(lines 43,44)	
46	Net income (loss) (lines 39,45)	1,984,733

See footnotes on page 7A

300. INCOME ACCOUNT - Concluded

* Less applicable income taxes of:

553 Unusual or infrequent items-Net-(Debit) credit _____
555 Income (loss) from operations of discontinued _____
557 Gain (loss) on disposal of discontinued segments _____
592 Cumulative effect of changes in accounting principles _____

INCOME ACCOUNT—EXPLANATORY NOTES

41. Indicate method elected by carrier, as provided in the Revenue Act of 1971, to account for the investment tax credit.

Flow-through X Deferral _____

42. If flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit _____ $ 673,088
43. If deferral method was elected, indicate amount of investment tax credit utilized as a reduction of tax liability for current year _____ _____
44. Deduct amount of current year's investment tax credit applied to reduction of tax liability but deferred for accounting purposes _____ (_____)
45. Balance of current year's investment tax credit used to reduce current year's tax accrual _____ $ _____
46. Add amount of prior years' deferred investment tax credits being amortized and used to reduce current year's tax accrual _____ $ _____
47. Total decrease in current year's tax accrual resulting from use of investment tax credits _____ $ _____

If the net effect of any of the above footnotes results in an increase in Federal income taxes, the increase should be shown in parenthesis.

304. RETAINED INCOME—APPROPRIATED

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

Line No.	Class of appropriation (a)	Credits during year (b)	Debits during year (c)	Balance at close of year (d)
		$	$	$
1	Additions to property through income and retained income			
2	Funded debt retired through income and retained income			
3	Sinking fund reserves			
4	Miscellaneous fund reserves			
5	Retained income—Appropriated not specifically invested			
6	Other appropriations (specify):			
7				
8				
9				
10	TOTAL	NONE	NONE	NONE

305. RETAINED INCOME - UNAPPROPRIATED

1. Show hereunder the items of the Retained Income Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Refrigerator Car Lines.
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 17, column (b), schedule 300.
6. Include in column (b) only amounts applicable to Retained Income *exclusive* of any amounts included in column (c).

Line No.	Item (a)	Unappropriated retained income (b)	Equity in undistributed earnings (losses) of affiliated companies (c)
		$	$
1	Balances at beginning of year	13,584,965	
	CREDITS		
2	(601-1) Prior period adjustments to beginning retained income account (Credit)		
3	(602) Credit balance transferred from income (p. 7)	1,984,733	
4	(606) Other credits to retained income		
5	(622) Appropriations released		
6	Total	1,984,733	
	DEBITS		
7	(611-1) Prior period adjustments to beginning retained income account (Debit)		
8	(612) Debit balance transferred from Income (p. 7)		
9	(616) Other debits to retained income		
10	(620) Appropriations for sinking and other reserve funds		
11	(621) Appropriations for other purposes		
12	(623) Dividends (p. 10)		
13	Total	0	
14	Net increase (decrease) during year (Line 6 minus line 13)	1,984,733	
15	Balances at close of year (Lines 1 and 14)	15,569,698	NONE
16	Balance from line 15(c)	0	x x x x x x x x
17	Total unappropriated retained income and equity in undistributed earnings (losses) of affiliated companies at end of year	15,569,698	x x x x x x x x

Remarks

	Amount of assigned Federal income tax consequences:		
18	Account 606		x x x x x x x
19	Account 616		x x x x x x x

Schedule 205.-COMPENSATING BALANCES AND SHORT-TERM BORROWING ARRANGEMENTS

Using the following notes as a guideline, show the requirements of compensating balances and short-term borrowing arrangements if operating revenues are $10 million or more. 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 under an agreement which legally restricts the use of such funds, and which constitute support for short-term borrowing arrangements, should be included in Schedule 206, account 703, Special deposits.
5. Compensating balances under an agreement which legally restricts the use of such funds and which constitute support for long-term borrowing arrangements and are reported in account 717, Insurance and other funds, should also be separately disclosed below.
6. 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).
7. 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.

NONE

Schedule 206.—SPECIAL DEPOSITS

For other than compensating balances, state separately each item of $10,000 or more reflected in account 703, Special deposits, at the close of the year. Items of less than $10,000 may be combined in a single entry and described as "Minor items less than $10,000." For compensating balances, state separately the total amounts held on behalf of respondent and held on behalf of others.

Line No.	Purpose of deposit (a)	Balance at close of year (b)
		$
	Interest special deposits:	
1		
2		
3		
4		
5		
6	Total	NONE
	Dividend special deposits:	
7		
8		
9		
10		
11		
12	Total	NONE
	Miscellaneous special deposits:	
13		
14		
15		
16		
17		
18	Total	NONE
	Compensating balances legally restricted:	
19	Held on behalf of respondent	
20	Held on behalf of others	
21	Total	NONE

NOTES AND REMARKS

INTENTIONALLY LEFT BLANK

211. PROPERTY AND EQUIPMENT

1. Give particulars of balances at the beginning and close of the year and of all changes during the year in Account 731, "Cars or protective service property." The balances by primary accounts should be stated in columns (b) and (f) and all changes made during the year should be analyzed in columns (c) to (e), inclusive.

2. The entries made in column (c) of this schedule should represent the cost to the respondent of constructing or acquiring cars or protective service property and equipment during the year and of making additions thereto and improvements thereon, as well as the cost during the year of making additions and improvements to physical property owned by the respondent and used for furnishing cars or protective service at, or before, the beginning of the year, and the amounts which represent the cost to the respondent during the year of additions and improvements to transportation property leased from others under long-term contracts, in cases where such cost is not chargeable to the owning company.

3. Both the debit and credit involved in each transfer, adjustment, or clearance between cars or protective service property 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 cars or protective service property and equipment to operating expenses or other accounts, or vice versa, should be included in the column applicable to current items of like nature. Important adjustment items should be fully explained in a footnote.

Line No.	Account (a)	Balance at beginning of year (b)	Additions during year (c)	Retirements during year (d)	Net charges during the year (e)	Balance at close of year (f)
		$	$	$	$	$
1	(51) Land					
2	(52) ~~xxxxxxxxxxxx~~Locomotives	3,513,800				3,513,800
3	(53) Rolling stock	44,821,393	319,393	7,701,315	(7,381,922)	37,439,471
4	(54) Miscellaneous equipment	472,336	28,490	131,227	(102,737)	369,599
5	(55) Tracks					
6	(56) Carshop buildings and machinery	139,712	3,291	3,664	(373)	139,339
7	(57) Work equipment					
8	(58) Ice manufacturing plants					
9	(59) Natural ice plants					
10	(60) Ice storage plants					
11	(61) Precooling plants					
12	(62) Icing platforms					
13	(63) Transmission systems					
14	(64) Testing apparatus					
15	(65) Miscellaneous structures & Office Furn.	95,519	24,262	23,123	1,139	96,658
16	(66) Mechanical protective service units	240,356		240,356	(240,356)	-0-
17	(67) Mechanical protective service facilities					
18	Total property and equipment					
19	(70) Organization expenses					
20	Total Account 731	49,283,116	375,436	8,099,685	(7,724,249)	41,558,867

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212. ACCRUED DEPRECIATION—PROPERTY AND EQUIPMENT

Give particulars of the credits and debits made to account No. 735, "Accrued depreciation—Cars or protective service property," during the year. If any entries are made for "Other credits" and "Other debits," state the facts occasioning such entries. A debit balance in columns (b) or (i) for any primary account should be shown in red or indicated by appropriate symbol.

Line No.	Account (a)	Balance at beginning of year (b)	CREDITS: Charged to accounts Nos. 236, 237, 252, 265, 284, 295, 386, 415 & 465 320 (c)	CREDITS: Other credits (specified) (d)	CREDITS: Total credits (e)	DEBITS: Net charge from retirement of carrier property (f)	DEBITS: Other debits (specified) (g)	DEBITS: Total debits (h)	Balance at close of year (i)
1	(52) ~~Passenger-carrying~~ Locomotives	$ 2,344,008	$ 175,690	$	$ 175,690	$	$	$	$ 2,519,698
2	(53) Rolling stock	30,998,919	3,717,269		3,717,269	7,652,630		7,652,630	27,063,558
3	(54) Miscellaneous equipment	285,879	55,526		55,526	130,106		130,106	211,299
4	(55) Tracks								
5	(56) Carshop buildings and machinery	90,933	3,913		3,913	1,854		1,854	92,992
6	(57) Work equipment								
7	(58) Ice manufacturing plants								
8	(59) Natural ice plants								
9	(60) Ice storage plants								
10	(61) Precooling plants								
11	(62) Icing platforms								
12	(63) Transmission systems								
13	(64) Testing apparatus								
14	(65) Miscellaneous structures &Office Furn.	48,123	8,083		8,083	27,088		27,088	29,118
15	(66) Mechanical protective service units	240,357				240,357		240,357	-0-
16	(67) Mechanical protective service facilities								
17	TOTAL	34,008,219	3,960,481		3,960,481	8,052,035		8,052,035	29,916,665

213. DEPRECIATION BASE AND RATES—PROPERTY AND EQUIPMENT

1. Show in columns (b) and (c) for each depreciable property account the balance at the beginning and end of the year, respectively, used in computing depreciation charges. The average depreciation base in column (d) should be determined by adding together the base used for each month during the year and then dividing the total by 12.

2. The annual composite depreciation percentage rates in column (e) should be computed by dividing total annual charges developed by applying annual component rates to the base used in computing the charges for December by the total base so used.

Line No.	Account (a)	DEPRECIATION BASE: Balance at beginning of year (b)	DEPRECIATION BASE: Balance at close of year (c)	DEPRECIATION BASE: Average balance for the year (d)	Annual composite percentage rate (e)	Remarks (f)
	A. OWNED PROPERTY					
1	(52) ~~Passenger-carrying~~ Locomotives	$ 3,513,800	$ 3,513,800	$ 3,513,800	5.00	
2	(53) Rolling stock	*44,792,321	37,439,471	41,277,977	6.52	*Excluding Amortized Eqpt.$29,072
3	(54) Miscellaneous equipment	472,336	369,599	451,977	15.49	
4	(55) Tracks					
5	(56) Carshop buildings and machinery	139,712	139,339	139,526	2.94	
6	(57) Work equipment					
7	(58) Ice manufacturing plants					
8	(59) Natural ice plants					
9	(60) Ice storage plants					
10	(61) Precooling plants					
11	(62) Icing platforms					
12	(63) Transmission systems					
13	(64) Testing apparatus					
14	(65) Miscellaneous structures &Office Furniture	95,519	96,658	96,088	9.24	
15	(66) Mechanical protective service units	240,356	-0-	40,059	F.D.	
16	(67) Mechanical protective service facilities					
17	TOTAL OWNED PROPERTY	49,254,044	41,558,867	45,519,427	6.47	

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214. MISCELLANEOUS PHYSICAL PROPERTY

1. Give particulars of investments in physical property includible in account Nos. 737, "Miscellaneous physical property"; the reserves in account 738, "Accrued depreciation—Miscellaneous physical property," income credited to account 502, "Revenues from miscellaneous operations," account 534, "Expenses of miscellaneous operations," and account 535, "Taxes on miscellaneous operating property."

2. The description of the property in column (a) should give identification of it with a reasonable degree of particularity.

3. If actual money cost to the respondent was different from that shown in column (b), give full particulars in a footnote.

4. If any property of the character provided for in this schedule was disposed of during the year, or by reclassification was transferred to or from the carrier property accounts, give particulars in a footnote.

Line No.	Description of property (a)	Book cost at close of year (Account 737) (b)	Depreciation reserve at close of year (Account 738) (c)	Total income during the year (Account 502) (d)	Total expenses during the year (Account 534) (e)	Total taxes applicable to the year (Account 535) (f)
1	30 Tamper Smoothers	$ 1,582,710	$ 1,162,537	$ 287,936	$ 226,101	$
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12	TOTAL	1,582,710	1,162,537	287,936	226,101	

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

1. Give the particulars called for with respect to reserve funds included in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; and 717, "Insurance and other funds."

2. In column (*b*) give the name by which the fund is designated in the respondent's records; the kind of fund, such as sinking, capital, property insurance, pension, and relief; the rate of interest (if any); and the date of maturity.

3. Insert totals separately for each account. Such totals of columns (*g*) and (*j*) should be the same as those stated in short columns (*b1*) and (*b2*), respectively, in the comparative general balance sheet statement.

4. Entries in column (*g*) should be the sums of corresponding entries in columns (*d*) and (*e*), less those shown in column (*f*), and the sum of entries in columns (*h*), (*j*), and (*l*) should equal those in column (*g*).

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

Line No.	Account No. (a)	Name, kind, and purpose of fund (list on same line in second section and in same order as in first section) (b)	Name of trustee or depositary (c)	Balance at beginning of year—Book value (d)
				$
1		NONE		
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				

Line No.	Additions during the year—Book value (e)	Withdrawals during the year—Book value (f)	Balance at close of year—Book value (g)	ASSETS IN FUNDS AT CLOSE OF YEAR				
				Cash (h)	SECURITIES ISSUED OR ASSUMED BY RESPONDENT		OTHER SECURITIES AND INVESTED ASSETS	
					Par value (i)	Book value (j)	Par value (k)	Book value (l)
	$	$	$	$	$	$	$	$
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								

217. INVESTMENTS IN SECURITIES AND ADVANCES

1. Give details of the balance of securities and advances held by the respondent at the close of the year.
2. Classify in the following order: (1) Stocks, (2) Bonds, (3) Other secured obligations, (4) Unsecured notes, and (5) Investment advances.

Line No.	Name of issuing company and description of security held (a)	Class (b)	Par value (c)	Rate of interest or dividends (d)	BALANCE AT CLOSE OF YEAR Pledged (e)	Unpledged (f)	Book cost (g)
					$	$	$
1	ACCOUNT 722:						
2	Central Jersey Industries						
3	Series I 8% Note (1)	BOND	241	NONE		241	241
4							
5	ACCOUNT 721:						
6	Albany Port Railroad Corp.	CSA				25,839	25,839
7	Long Term Portion of Cond.						
8	Sales Agreement of Yard						
9	Equipment						
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20				TOTAL		26,080	26,080

Line No.	CHANGES DURING THE YEAR ADDED Number of shares (h)	ADDED Book cost (i)	DISPOSED OF Number of shares (j)	DISPOSED OF Book cost (k)	Adjustments (Dr. Debit, Cr. Credit) (l)	Net changes (Dr. Debit, Cr. Credit) (m)	INCOME DURING THE YEAR Kind (n)	Amount (o)
		$		$	$	$		$
1					SEE NOTE			
2		241			CR 241	0	Interest	-0-
3								
4								
5								
6		25,839				25,839	Interest	1,387
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20		26,080				25,839		1,387

(1) There is no known market value for security, therefore, it is fully reserved in Account 723.

217-A. 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, which qualify for the equity method under instruction 37 in the Uniform System of Accounts for Refrigerator Car Lines.

2. Enter in column (c) the amount necessary to retroactively adjust those investments qualifying for the equity method of accounting in accordance with instruction 37 (b) (11) of the Uniform System of Accounts for Refrigerator Car Lines.

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. See instruction 37 (b) (4).

5. The total of column (g) must agree with column (c), line 20, schedule 200.

Line No.	Name of issuing company and description of security held (a)	Balance at beginning of year (b)	Adjustment for investments qualifying for equity method (c)	Equity in undistributed earnings (losses) during year (d)	Amortization during year (e)	Adjustment for investments disposed of or written down during year (f)	Balance at close of year (g)
	Carriers: (List specifics for each company)						
1	NONE	$	$	$	$	$	$
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16	Total						
17	Noncarriers: (Show totals only for each column)						
18	Total (lines 16 and 17)						

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Schedule 219—RENTAL EXPENSE OF LESSEE

Complete this schedule only if (a) carrier operating revenues are $10 million or more and (b) if gross rental expense in the most recent fiscal year exceeds one percent of operating revenue.

Otherwise, show total rental expense (reduced by rentals from subleases) entering into the determination of results of operations for each period for which an income statements is presented. Rental payments under short-term leases for a month or less which are not expected to be renewed need not be included. Contingent rentals, such as those based on usage or sales, shall be reported separately from the basic or minimum rentals.

Line No.	Type of lease (a)	Current year (b)	Prior year (c)
	Financing leases	$	$
1	Minimum rentals NOT APPLICABLE		
2	Contingent rentals		
3	Sublease rentals	( )	( )
4	Total financing leases		
	Other leases		
5	Minimum rentals		
6	Contingent rentals		
7	Sublease rentals	( )	( )
8	Total other leases		
9	Total rental expense of lessee		

NOTE: As used in schedules 219 through 223, a "financing lease" is defined as a lease which, during the noncancellable lease period, either (a) covers 75% or more of the economic life of the property or (b) has terms which assure the lessor a full recovery of the fair market value (which would normally be represented by his investment) of the property at the inception of the lease plus a reasonable return on the use of the assets invested subject only to limited risk in the realization of the residual interest in the property and the credit risks generally associated with secured loans.

Schedule 220.—MINIMUM RENTAL COMMITMENTS

Complete this schedule only if (a) carrier operating revenues are $10 million or more and (b) gross rental expense in the most recent fiscal year exceeds one percent of operating revenue.

Show the minimum rental commitments under all noncancellable leases, as of the date of the latest balance sheet presented, in the aggregate (with disclosure of the amounts applicable to noncapitalized financing leases) for (a) each of the five succeeding fiscal years; (b) each of the next three five-year periods; and, (c) the remainder as a single amount. The amounts so determined should be reduced by rentals to be received from existing noncancellable subleases (with disclosure of the amounts of such rentals). For purposes of this rule, a noncancellable lease is defined as one that has an initial or remaining term of more than one year and is noncancellable, or is cancellable only upon the occurrence of some remote contingency or upon the pzyment of a substantial penalty.

Line No.	Year ended (a)	A			B	
		Financing leases (b)	Other Leases (c)	Total (d)	Sublease rentals* Financing leases (e)	Sublease rentals* Other leases (f)
		$	$	$	$	$
1	1978					
2	1979					
3	1980					
4	1981					
5	1982					
6	1983-1987					
7	1988-1992					
8	1993-1997					
9	1988 +					

* The rental commitments reported in Part A of this schedule have been reduced by these amounts.

NOT APPLICABLE

Schedule 221.—LESSEE DISCLOSURE

Complete this schedule only if carrier operating revenues are $10 million or more.

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)
1	NOT APPLICABLE
2	
3	
4	
5	
6	
7	
8	
	(b)
9	
10	
11	
12	
13	
14	
15	
16	
	(c)
17	
18	
19	
20	
21	
22	
23	
24	
	(d)
25	
26	
27	
28	
29	
30	
31	
32	
	(e)
33	
34	
35	
36	
37	
38	
39	
40	

Schedule 222.—LEASE COMMITMENTS—PRESENT VALUE

Complete this schedule only if (a) carrier operating revenues are $10 million or more and (b) if the present value of the minimum lease commitments are more than five percent of the sum of the long-term debt, stockholders' equity and the present value of the minimum lease commitments, or if the impact on net income (as computed in schedule 223, Income impact—Lessee) is three percent or more of the average net income for the most recent three years.

Show all noncapitalized financing leases, the present value of the minimum lease commitments in the aggregate and by major categories of properties. Present values shall be computed by discounting net lease payments (after subtracting, if practicable, estimated, or actual amounts, if any, applicable to taxes, insurance, maintenance and other operating expenses) at the interest rate implicit in the terms of each lease at the time of entering into the lease.

Show either the weighted average interest rate (based on present value) and range of rates or specific interest rates for all lease commitments.

Line No.	Asset category (a)	Present value		Range		Weighted average	
		Current year (b)	Prior year (c)	Current year (d)	Prior year (e)	Current year (f)	Prior year (g)
		$	$	%	%	%	%
1	Structures						
2	Revenue equipment						
3	Shop and garage equipment						
4	Service cars and equipment						
5	Noncarrier operating property						
	Other (Specify):						
6							
7							
8							
9							
10	Total						

NOT APPLICABLE

Schedule 223.—INCOME IMPACT—LESSEE

Complete this schedule only if carrier operating revenues are $10 million or more.

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.

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)
		$	$
1	Amortization of lease rights		
2	Interest		
3	Rent expense		
4	Income tax expense		
5	Impact (reduction) on net income		

NOT APPLICABLE

225. LOANS AND NOTES RECEIVABLE

1. Give particulars of the various debtors and of the character of the transactions involved in account No. 704, "Loans and notes receivable," which pertain or relate to the cars and protective service of the respondent.

2. In column (a) show the name of each several debtor in the account whose debit balance at the close of the year amounted to $10,000 or more; for debtors whose balances were severally less than $10,000, a single entry for each subaccount may be made under the caption, "Minor accounts, each less than $10,000." List every item in excess of $10,000 and state its date of maturity.

3. In column (b) state the character of the transactions represented in the account between the debtor named and the respondent.

Line No.	Name of debtor (a)	Character of asset or transaction involved (b)	Date of issue or renewal (c)	Date of maturity (d)	Rate per annum of interest (e)	Amount at close of year (f)
1	NONE				%	$
2						
3						
4						
5						
6						
7						
8						
9						
10						

226. OTHER ASSETS

Give an analysis of the amount included in account No. 741, "Other assets," at the close of the year, shown in detail each item or subaccount amounting to $10,000 or more. Items less than $10,000 may be combined into a single entry designated, "Minor items, each less than $10,000." In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

Line No.	Description and character of items, and names of debtor (or class of debtors), if any (a)	Amount at close of year (b)
		$
1	Receivables due from bankrupt railroads at April 1, 1976 when	
2	their assets were conveyed to the Consolidated Rail Corp.	493,761
3		
4	Pre-bankruptcy receivables & loans due from Penn Central	1,714,662
5		
6	Pre-bankruptcy receivables due from Milwaukee Road	50,367
7		
8	Reserve for above amounts	(2,258,790)
9		
10		
11		
12		
13		
14	TOTAL	-0-

227. OTHER DEFERRED CHARGES

Give an analysis of the amount included in account No. 743, "Other deferred charges," at the close of the year, showing in detail each item or subaccount amounting to $10,000 or more. Items less than $10,000 may be combined into a single entry designated, "Minor items, each less than $10,000." In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

Line No.	Description and character of item or subaccount (a)	Amount at close of year (b)
		$
1	NONE	
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14	TOTAL	NONE

261. FUNDED DEBT AND OTHER OBLIGATIONS

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

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

(1) MORTGAGE BONDS:
- (a) With fixed interest.
- (b) With contingent interest.

(2) COLLATERAL TRUST BONDS:
- (a) With fixed interest.
- (b) With contingent interest.

(3) UNSECURED BONDS (Debentures):
- (a) With fixed interest.
- (b) With contingent interest.

(4) EQUIPMENT OBLIGATIONS:
- (a) Equipment securities (Corporation).
- (b) Equipment securities (Receivers' and Trustees').
- (c) Conditional or deferred payment contracts.

(5) MISCELLANEOUS OBLIGATIONS.

(6) RECEIVERS' AND TRUSTEES' SECURITIES (Other than equipment obligations).

(7) SHORT-TERM NOTES IN DEFAULT.

3. If an issue is a serial issue, the last date of maturity should be shown in column (c) preceded by the letter "S." If the payments required on the contracts for equipment obligations are unequal in amount (except for the last payment) or are to be made at irregular intervals, show a symbol against the entry made in column (c) opposite the name of such obligations and give particulars in a footnote.

4. If the issue is an income bond, the entry in column (d) should be the annual maximum rate of interest specified by the indenture.

5. In column (f) enter the amount of bonds both nominally and actually issued up to the date of the report and not the amount authorized.

6. No entries shall be made in this schedule with respect to issues of matured obligations nominally issued or nominally outstanding when no parts of such issues are actually outstanding.

7. For definitions of "nominally issued," "nominally outstanding," "actually issued," and "actually outstanding," see Instruction 2, General instructions Uniform System of Accounts.

8. Entries in column (k) should include interest accrued on funded debt reacquired, matured during the year, even though no portion of the issue is outstanding at the close of the year.

9. In column (m) enter the total in account No. 781, "Interest in default," at the close of the year.

Line No.	Name and character of obligation (List on same line in second section and in same order as in first section) (a)	Nominal date of issue (b)	Date of maturity (c)	INTEREST PROVISIONS Rate percent per annum (d)	Dates due (e)	Total amount nominally and actually issued (f)
						$
1	Capitalized Vehicle Lease Obligations					
2						
3	Due within one year (764)	Various	Various	Various	Various	53,592
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						

Line No.	Amount nominally issued and held or canceled (g)	Total amount actually issued (h)	Amount reacquired (i)	Total amount actually outstanding (j)	INTEREST Accrued during year (k)	Actually paid during year (l)	Total amount in default (m)
	$	$	$	$	$	$	$
1							
2							
3				SEE SCHEDULE NO. 268			
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							

Car Line Initials MDE Year 1979

263. EQUIPMENT COVERED BY EQUIPMENT OBLIGATIONS

Give the particulars called for regarding the equipment included in the balance outstanding in accounts Nos. 764, "Equipment obligations and other debt due within 1 year," and 766, "Equipment obligations," which pertain or relate to the cars and protective service of the respondent, at the close of the year. In column (a) show the name by which the equipment obligation is designated and in column (b) show the classes of equipment and the number of units covered by the obligation together with other details of identification. In column (c) show the contract price at which the equipment is acquired, and in column (d) the amount of cash paid upon acceptance of the equipment.

Line No.	Designation of equipment obligation (List names in the same order as in schedule 261) (a)	Description of equipment covered (b)	Contract price of equipment acquired (c)	Cash paid on acceptance of equipment (d)
1			$	$
2		HIGHWAY VEHICLES		
3				
4		SEE SCHEDULE 268		
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				

268. AMOUNTS PAYABLE TO AFFILIATED COMPANIES

Give full particulars of amounts included in account No. 769, "Amounts payable to affiliated companies," in the Uniform System of Accounts. If any such amounts are evidenced by notes, each note should be separately shown in column (a). Entries in columns (e) and (f) should include interest accruals and interest payments on debt retired during the year, even though no portion of the debt remained outstanding at the close of the year. Show, also, in a footnote, particulars of interest charged to cost of property.

Line No.	Name of creditor company (a)	Rate of interest (b)	Balance at beginning of year (c)	Balance at close of year (d)	Interest accrued during year (e)	Interest paid during year (f)
1	Excelsior Truck Leasing Co.	% Various	$ 118,494	$ 80,337	$ 23,736	$ 23,736
2						
3						
4	Long term portion of					
5	Capitalized Vehicle Leases					
6						
7						
8						
9						
10		Total				

271. LOANS AND NOTES PAYABLE

1. Give particulars of the various creditors and the character of the transactions involved in account No. 751, "Loans and notes payable," which pertain or relate to the cars and protective service of the respondent.
2. List every item in excess of $10,000, giving the information indicated in the column headings.
3. For creditors whose balances were severally less than $10,000, a single entry may be made under a caption, "Minor accounts, each less than $10,000."
4. Entries in columns (g) and (h) should include interest accruals and interest payments on loans and bills payable retired during the year, even though no portion of the issue remained outstanding at the close of the year.

Line No.	Name of creditor company (a)	Character of liability or of transaction (b)	Date of issue (c)	Date of maturity (d)	Rate of interest (e)	Balance at close of year (f)	Interest accrued during year (g)	Interest paid during year (h)
1	NONE				%	$	$	$
2								
3								
4								
5								
6								
7								
8					Total			

275. FEDERAL INCOME AND OTHER TAXES ACCRUED

Give the particulars called for with respect to the balances at close of year in accounts Nos. 760, "Federal income taxes accrued" and 761, "Other taxes accrued."

Line No.	Kind of tax (a)	Balance at close of year (b)
		$
1	Federal income taxes (532 or other accounts)	614,788
2	Federal excess profits taxes (532 or other accounts)	
3	Total (account 760)	614,788
4	Cars and protective service property taxes (532)	48,167
5	Railroad retirement and unemployment insurance taxes (532)	18,169
6	Social security taxes (532)	
7	Miscellaneous operating property (535)	
8	Miscellaneous tax accruals (544)	
9	All other taxes	174,324
10	Total (account 761)	240,660

280. OTHER LIABILITIES

Give an analysis of the amount included in account No. 782, "Other liabilities," at the close of the year, showing in detail each item or sub-account amounting to $10,000 or more. Items less than $10,000 may be combined into a single entry designated, "Minor items, each less than $10,000." In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

Line No.	Description and character of item (a)	Name of creditor (or class of creditors) (b)	Amount at close of year (c)
			$
1	Minor Items Each Less Than $10,000		6,021
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15	Total		6,021

281. OTHER DEFERRED CREDITS

Give an analysis of the balance in account No. 784, "Other deferred credits," as of the close of the year, showing in detail each item of sub-account amounting to $10,000 or more. Items less than $10,000 may be combined into a single entry designated, "Minor items each less than $10,000." In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

Line No.	Description and character of item or subaccount (a)	Amount at close of year (b)
		$
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15	Total	

285. CAPITAL STOCK

1. Give particulars of the various issues of capital stock outstanding of the respondent at the close of the year.
2. Classify in the following order: (1) Common stock, (2) Preferred stock, (3) Debenture stock, and (4) Receipts outstanding for installments paid.

Line No.	Title, description and par value of issue, and rate of interest for preferred or debenture stock (a)	REACQUIRED AND HELD AT CLOSE OF THE YEAR: Number of shares (b)	REACQUIRED AND HELD AT CLOSE OF THE YEAR: Amount (c)	OUTSTANDING AT CLOSE OF THE YEAR: Number of shares (d)	OUTSTANDING AT CLOSE OF THE YEAR: Amount (e)
1	(1) Stock Certificate - No Par Value			78,750	7,875,000
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20	TOTAL	x x x x		x x x x	7,875,000

291. CAPITAL SURPLUS

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

Line No.	Item (a)	Contra account number (b)	ACCOUNT NO. 794. Premiums and Assessments on Capital Stock (c)	ACCOUNT NO. 796. Other Capital Surplus (d)	ACCOUNT NO. 795. Paid-In Surplus (e)
1	Balance at beginning of year	x x x	None	2,309,000	None
	Additions during the year (describe):				
2					
3					
4					
5					
6	Total additions during the year	x x x			
	Deductions during the year (describe):				
7					
8					
9					
10	Total deductions	x x x			
11	Balance at close of year	x x x	None	2,309,000	None

295. CONTINGENT ASSETS AND LIABILITIES

1. Give particulars with respect to contingent assets and contingent liabilities, at the close of the year, in accordance with Instruction 41 to the balance sheet of the Uniform System of Accounts that are not reflected in the accounts of the respondent and the value of the item amounts to $50,000 or more.

2. 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; if unknown, so state and explain by footnote.

Line No.	Item (a)	Amount (b)
1	NONE	$
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		

298. DIVIDEND APPROPRIATIONS

1. Give particulars of each dividend declared. For nonpar stock, show the number of shares in column (d), and the rate per share in column (b) or (c). If any such dividend was payable in anything other than cash, explain the matter fully in a footnote.

2. If an obligation of any character has been incurred for the prupose of procuring funds for the payment of any dividend or for the purpose of replenishing the treasury of the respondent after payment of any dividend, give full particulars in a footnote. If any class of stock received a return not reportable in this schedule, state the particulars of the case in a footnote.

3. The sum of the dividends stated in column (e) should equal the amount shown in schedule No. 305.

Line No.	Name of security on which dividend was declared (a)	RATE PERCENT OR PER SHARE		Par value or number of shares of no par value on which dividend was declared (d)	Dividends (account 623) (e)	DATES	
		Regular (b)	Extra (c)			Declared (f)	Payable (g)
1				$	$ NONE		
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13				TOTAL	NONE		

310. OPERATING REVENUES

State the operating revenues of the respondent for the year, classified in accordance with the Uniform System of Accounts.

Line No.	Class of operating revenues (a)	Amount (b)	Remarks (c)
		$	
	I. CAR SERVICE		
1	(101) Car mileage	131,980	
2	(102) Car rental	7,395,869	
3	(104) Cleaning cars	42,378	
4	(108) Other car service revenue	3,818	
5	Total car service	7,574,045	
	II. ICING PROTECTIVE SERVICE		
6	(110) Ice and salt		
7	(111) Supervision		
8	(112) Refrigerating device damage		
9	(113) Top or body ice damage		
10	(114) Precooling		
11	(115) Other icing service revenue		
12	Total icing protective service		
	III. MECHANICAL PROTECTIVE SERVICE:		
13	(116) Mechanical protective service units		
14	(117) Inspecting, servicing, and supervision	2,760,751	
15	(118) Fuel		
16	(119) Other mechanical protective service revenue	82,784	
17	Total mechanical protective service	2,843,535	
	IV. HEATER SERVICE		
18	(120) Car heaters		
19	(121) Heater fuel		
20	(122) Servicing heaters	152,051	
21	(123) Supervision		
22	(124) Preheating cars		
23	(128) Other heater service revenue		
24	Total heater service	152,051	
	V. OTHER SERVICES		
25	(130) Ventilation service	4,899	
26	(132) Other ice and salt		
27	(133) Miscellaneous	366,377	
28	Total other services	371,276	
29	Total operating revenues	10,940,907	

320. OPERATING EXPENSES

State the operating expenses of the respondent for the year, classified in accordance with the Uniform System of Accounts.

Line No.	Class of operating expenses (a)	Amount (b)
		$
	I. CAR SERVICE	
1	(201) Supervision	132,390
2	(203) Rents—Car service facilities	27,227
3	(205) Car distribution	20,615
4	(208) Cleaning and conditioning cars	52
5	(210) Car repairs	2,540,930
6	(211) Other repairs	35,600
7	(221) Injuries to persons	
8	(222) Insurance	67,685
9	(223) Stationery and printing	4,327
10	(229) Other expenses	6,626
11	(230) Equalization—Car repairs	
12	(236) Depreciation—Rolling stock	2,707,330
13	(237) Depreciation—Other car service facilities	8,018
14	(238) Retirements—Car service facilities (CREDIT)	(269,721)
15	Total car service	5,281,079
	II. ICING PROTECTIVE SERVICE	
16	(251) Ice purchased	
17	(252) Ice produced	
18	(253) Rents—Icing facilities	
19	(254) Icing operations	
20	(255) Repairs—Icing facilities	
21	(256) Injuries to persons	
22	(257) Insurance	
23	(258) Other expenses	
24	(265) Depreciation—Icing facilities	
25	(270) Retirements—Icing facilities	
26	(275) Salt	
27	Total icing protective service	
	III. OTHER ICING SERVICE	
28	(281) Supervision	
29	(282) Rents—Icing service facilities	
30	(283) Repairs—Icing service facilities	
31	(284) Precooling service	
32	(285) Injuries to persons	
33	(286) Insurance	
34	(287) Stationery and printing	
35	(290) Other expenses	
36	(295) Depreciation—Icing service facilities	
37	(296) Retirements—Icing service facilities	
38	Total other icing service	
	IV. MECHANICAL PROTECTIVE SERVICE	
39	(301) Supervision	200,315
40	(302) Rents	32,927
41	(303) Fuel (CREDIT)	(10,402)
42	(305) Inspecting and servicing	1,449,026
43	(306) Supplies and repairs (CREDIT)	(205,460)
44	(307) Injuries to persons	
45	(308) Insurance	166,723
46	(309) Stationery and printing	21,502
47	(315) Other expenses	145,957
48	(320) Depreciation—Mechanical service facilities	47,777
49	(321) Retirements—Mechanical service facilities	
50	Total mechanical protective service	1,848,365

Line No.	Class of operating expenses (a)	Amount (b)
		$
	V. HEATER SERVICE	
51	(351) Supervision	7,354
52	(353) Rents—Heater service facilities	1,191
53	(357) Heater fuel	
54	(358) Inspecting and servicing of heaters	42,371
55	(360) Repairs—Heater service facilities	12,723
56	(361) Preheating service	
57	(371) Injuries to persons	
58	(372) Insurance	4,678
59	(373) Stationery and printing	772
60	(379) Other expenses	3,596
61	(386) Depreciation—Heater service facilities	7,655
62	(388) Retirements—Heater service facilities	
63	Total heater service	80,340
	VI. MISCELLANEOUS	
64	(401) Ventilation service	4,033
65	(405) Curtain service	
66	(408) Papering cars	
67	(410) Loss and damage claims	
68	(414) Diversions and reconsignments	
69	(415) Other expenses	175,740
70	Total miscellaneous	179,773
	VII. GENERAL	
71	(450) Salaries and expenses of general officers and clerks	223,724
72	(451) General office supplies and expenses	80,614
73	(452) Rents	14,446
74	(454) Law expenses	11,097
75	(459) Pensions and relief	67,973
76	(460) Insurance	25,314
77	(461) Stationery and printing	7,154
78	(462) Repairs—General	2,307
79	(465) Depreciation—General	4,576
80	(466) Retirements—General (CREDIT)	(5,822)
81	(469) Other expenses Incl. CR. MGMT. FEE	934,473
82	Total general	1,365,856
83	Total operating expenses	8,755,413
84	Operating ratio (ratio of operating expenses to operating revenues) 80.03 percent	

350. CARLINE TAX ACCRUALS

1. Give the particulars called for with respect to taxes charged to account No. 532, "Carline tax accruals," of the respondent's Income Account for the year.

2. Substantial adjustments included in the amounts reported in column (b) should be explained in a footnote.

Line No.	Item (a)	Amount (b)
		$
	A. Other than United States Government Taxes:	
1	Cars or protective service property taxes	81,978
2	State income taxes	182,662
3	All other taxes (other than U.S. Government)	3,707
4	Total other than U.S. Government taxes	268,347
	B. United States Government Taxes:	
5	Federal income taxes	534,295
6	Federal excess profits taxes	
7	Railroad retirement and unemployment insurance taxes	303,796
8	Social security taxes	
9	All other U.S. Government taxes	
10	Total U.S. Government taxes	838,091
11	Grand total taxes (account 532)	1,106,438

350-A. ANALYSIS OF FEDERAL INCOME AND OTHER TAXES DEFERRED

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 balance of accumulated deferred tax credits (debits) applicable to each particular in column (a).

3. Indicate in column (c) the net change in accounts 714, 744, 762 and 785 for the net tax effect of timing differences originating and reversing in the current accounting period.

4. The total of net credits (charges) for the current year in column (c) should agree with the contra charges (credits) to account 532.5, Provision for deferred taxes, and account 591, Provision for deferred taxes - extraordinary items, for the current year.

5. 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 carryforward or a loss carryback.

6. Indicate in column (e) the cumulative total of columns (b), (c), and (d). The total of column (e) must agree with the balances in accounts 714, 744, 762 and 785.

Line No.	Particulars (a)	Beginning of Year Balance (b)	Net Credits (Charges) for current Year (c)	Adjustments (d)	End of Year Balance (e)
1	Accelerated depreciation, Sec. 167 I.R.C.: Guideline lives pursuant to Rev. Proc. 62-21	$	$	$	$
2	Accelerated amortization of facilities Sec. 168 I.R.C.				
3	Other (Specify) STATE & FED. INCOME TAX	379,683	73,555		453,238
4	SEE NOTE (1)				
5					
6					
7	Investment tax credit				
8	TOTALS	379,683	73,555		453,238

NOTE (1):

Tax depreciation expense in excess of book depreciation expense for 1979:

$150,112 x 49% = $73,555

383. RENT PAYABLE FOR CARS

1. Give particulars of rent for cars, which pertain or relate to the cars and protective service of the respondent, as defined in the Uniform System of Accounts.

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

3. Taxes and other amounts paid or payable by the respondent as a part of the stipulated compensation which are chargeable to accounts other than account 533, "Rent payable for cars," should be included in column (f), and specifically stated in a footnote.

4. This account includes amounts payable accrued as rent for cars (including cars covered by the contract), and for specific cars held under lease or other agreement, by the terms of which exclusive use and control for operating purposes are secured.

5. If the respondent held under lease during all or any part of the year any cars upon which no rent payable accrued, give full particulars in a footnote.

Line No.	Name of lessor or reversioner and description of property (a)	Total rent accrued during year (b)	CLASSIFICATION OF RENT: Guaranteed interest on bonds (c)	Guaranteed dividend on stocks (d)	Depreciation (e)	All other (f)
	AUTO RACKS ONLY	$	$	$	$	$
1	North Hill Leasing Co.	14,178				
2	New Jersey Leasing Co.	59,542				
3	New Jersey Leasing Co.#2	52,265				
4	Byram "A" Co.	109,007				
5	American Investors Co.	49,944				
6						
7						
8						
9						
10						
11						
12	Total	284,936				

383A. ABSTRACTS OF LEASEHOLD CONTRACTS

1. Give brief abstracts of the terms and conditions of the leases under which the respondent holds the properties above named, showing particularly (1) the date of the lease, (2) the chain of title and dates of transfers connecting the original lessee with the respondent in case of assignment or subletting, (3) the basis on which the amount of the annual rent is determined, and (4) the date when the lease is to terminate, or, if such date has not yet been determined, the provisions governing its determination which pertain or relate to the cars and protective service of the respondent.

2. In lieu of the abstracts here called for, the respondent may file copies of lease agreements and give specific references to copies heretofore filed with the Commission.

NOTE.—**Only changes during the year are required.**

396. MISCELLANEOUS ITEMS IN INCOME AND RETAINED INCOME ACCOUNTS FOR THE YEAR

1. Give an analysis for all items, regardless of amount, included in accounts 570, "Extraordinary items", and 590, "Federal income taxes on extraordinary items".

2. Give an analysis for items in accounts 606, "Other credits to retained income"; 616, "Other debits to retained income"; 620, "Appropriations for sinking and other reserve funds"; 621, "Appropriations for other purposes"; and 622, "Appropriations released", confined to items amounting to $10,000 or more in any one account. Items less than this amount may be combined in a single entry in each account designated "Minor items, each less than $10,000."

3. Insert a total for each account.

Line No.	Account No. (a)	Item (b)	Debits (c)	Credits (d)
			$	$
1		NONE		
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				

417. ROLLING STOCK OWNED

1. Give particulars required of the various classes of rolling stock owned by respondent during the year.
2. In column (d) show the total weight in tons of 2,000 pounds. The weight of the equipment acquired should be the weight empty.

Line No.	Kind of car (a)	Units acquired during the year: Number of units owned at beginning of year (b)	Number (c)	Total weight (tons) (d)	Number of units retired during the year (e)	Number of units owned at close of year (f)
1	Refrigerator cars	856			531	325
	Other cars (specify):					
2	Covered Hoppers	9			9	0
3	Bi-Level Auto Rack Flats	174			34	140
4	Tri-Level Auto Rack Flats	439			77	362
5	Special Service Flats	144	70*		1	213
6	TOFC Flats	185			3	182
7	Railpac Flats	120				120
8						
9						
10	*Converted Auto Rack Flats					
11	Total	1927	70		655	1342

418. ROLLING STOCK LEASED FROM OTHERS

Give particulars relative to units of rolling stock which the respondent leased from others.

Line No.	Name of lessor (a)	Units held at close of year: ALL AUTO RACKS Kind (b)	Number (c)	Rent payable during the year (d)	Amounts receivable from lessor as refund (e)
				$	$
1	North Hill Leasing Co.	Tri-Level	11	14,178	
2	New Jersey Leasing Co.	Tri-Level	10		
3	New Jersey Leasing Co.	Bi-Level	44	59,542	
4	New Jersey Leasing Co.	Bi-Level	35		
5	New Jersey Leasing Co. #2	Bi-Level	84		
6	New Jersey Leasing Co. #2	Tri-Level	2	52,265	
7	Byram A Co.	Tri-Level	119	109,007	
8	American Investors Co.	Tri-Level	57	49,944	
9					
10					
11					
12	Total		362	284,936	

419. ROLLING STOCK OWNED BUT LEASED TO OTHERS

1. Give particulars relative to units of rolling stock owned by the respondent but leased to others.
2. This analysis may be confined to reporting each lessee having 200 or more cars at the close of the year and may combined all other lessees in a single entry designated "Lessees——in number having less than 200 units at the close of the year."

Line No.	Name of lessee (a)	Units leased at close of year: Kind (b)	Number (c)	Rent receivable (d)	Amount payable to lessee as refund (e)
				$	$
1	4 Leases - Less than 200 cars ea.	Refrigerator Cars	235	709,574	
2					
3	Consolidated Rail Corp.	Auto Rack Flat Cars	622	1,688,317	
4					
5					
6	Consolidated Rail Corp.	Flat Cars-Various	395	666,980	
7					
8	Consolidated Rail Corp.	Auto Racks	1492	3,821,433	
9					
10	Consolidated Rail Corp.	Refrigerator Cars	86	183,222	
11					
12					
13					
14					
15	Total		2830	7,069,526	

450. MILEAGE OF ROLLING STOCK

State the mileage made by cars owned by the respondent during the year. If not separable between loaded and empty include same in column (d), "Not separable" and explain in a footnote the reason therefor.

Line No.	Kind of car (a)	Loaded (b)	Empty (c)	Not separable (d)	Total (e)
1	Refrigerator cars	2,173,369	2,533,181		4,706,550
2	Other cars (specify):				
3	Hopper Cars	17,912	25,893		43,805
4	Auto Rack Cars	6,351,390	5,894,705		12,246,095
5					
6					
7					
8					
9					
10					
11	Total	8,542,671	8,453,779		16,996,450

460. PROTECTIVE SERVICE STATIONS

Give a list of the protective service stations owned, leased from others, or operated by the respondent at the close of the year, and nature of service performed thereat. Show owned as Class A, leased as Class B, and operated as Class C.

Line No.	Class (a)	Location and description (b)	Service performed (c)
1		SEE ATTACHED SCHEDULE - PAGE 31A	
2			
3			
4			
5			
6			
7			
8			
9			
10			

531. STATISTICS OF CAR LINE OPERATIONS

Give the various statistical items called for concerning the car line operations during the year.

Line No.	Description (a)	QUANTITY Unit (b)	QUANTITY Amount or number (c)	Amount of revenue receivable (d)	Number of cars serviced (e)
	Icing protective service:			$	
1	Ice delivered in bunkers of cars	Ton		NONE	
2	Ice delivered on top of load in body of cars	Ton		"	
3	Salt delivered in bunkers of cars	100#		"	
4	Supervision per icing in bunkers of cars	x x x	x x x x x x x	"	
5	Supervision per icing in body of cars	x x x	x x x x x x x	"	
6	Supervision—no ice supplied	x x x	x x x x x x x	"	
7	Repairs to refrigerating devices	x x x	x x x x x x x	"	
8	Repairs of damage caused by top of body ice	x x x	x x x x x x x	"	
9	Precooling cars	x x x	x x x x x x x	"	
10	Other icing protective service revenue	x x x	x x x x x x x	"	
	Mechanical protective service:				
11	Units	x x x	x x x x x x x		
12	Supervision per inspection of cars & Trailers	x x x	x x x x x x x	2,760,751	252,354
13	Fuel	x x x	x x x x x x x		
14	Other mechanical protective service revenue Pre-Tripping	x x x	x x x x x x x	82,784	7,567
	Heater service:				
15	Inspection—Car heaters	x x x	x x x x x x x		
16	Inspection—Heater fuel	x x x	x x x x x x x		
17	Inspection—Servicing of heaters	x x x	x x x x x x x	152,051	5,445
18	Inspection—Supervision incident to heater service	x x x	x x x x x x x		
19	Preheating cars	x x x	x x x x x x x		
20	Other heater service revenue	x x x	x x x x x x x		
	Other services:				
21	Ventilation service	x x x	x x x x x x x	4,899	448
22	Other ice and salt	x x x	x x x x x x x		
23	Miscellaneous (specify) Loss&Damage Claims	x x x	x x x x x x x	7,964	4,449
24					
25					
26					

561. EMPLOYEES, SERVICE AND COMPENSATION

Give particulars of the number of employees of various classes in the service of the respondent on June 30 and December 31 of the year, and of compensation paid therefor for the year. This schedule does not include old-age retirement, and unemployment insurance taxes. See schedule 275 for such taxes.

Line No.	Classification (a)	Number of Employees in Service At End of Month Named: June 30 (b)	Dec. 31 (c)	Total compensation (d)
				$
1	Car service maintenance employees	19	19	313,850
2	Protective service employees	72	80	1,145,299
3	Solicitation employees	0	0	
4	Administrative and general employees	11	11	162,536
	Other employees (specify):			
5				
6				
7				
8				
9	Total	102	110	1,621,685

Class (A)		Location & Description (B)	Service Performed (C)
1	C	Altoona, PA	FOR ALL 35 LISTED STATIONS:
2	C	Baltimore, MD	
3	C	Buffalo, N.Y.	PERISHABLE FREIGHT INSPECTION
4	C	Chicago, IL	
5	C	Delmar, MD	AND RELATED EQUIPMENT REPAIRS
6	C	Enola, PA (Harrisburg)	
7	C	Everett, MA (Boston)	
8	C	Fort Wayne, IN	
9	C	Hartford, CT	
10	C	Hunt's Point (New York City) N.Y.	
11	C	New York, N.Y.	
12	C	Indianapolis, IN	
13	C	Philadelphia, PA	
14	C	Pittsburgh, PA	
15	C	Providence RI	
16	C	Selkirk, N.Y.	
17	C	South Kearny, N.J.	
18	B	Boston, MA (TOFC ONLY)	
19	B	Worcester, MA (TOFC ONLY)	
20	B	Springfield, MA (TOFC ONLY)	
21	B	Albany, N.Y. (TOFC ONLY)	
22	B	Syracuse, N.Y. (TOFC ONLY)	
23	B	Rochester, N.Y. (TOFC ONLY)	
24	B	N. Bergen, N.J. (TOFC ONLY)	
25	B	Chicago, IL (TOFC ONLY)	
26	B	E. St. Louis, IL (TOFC ONLY)	
27	B	Potomac Yard, VA (Alexandria, VA)	
28	C	Cleveland, OH	
29	C	Toledo, OH	
30	C	Detroit, MI	
31	B	Grand Rapids, MI	
32	C	Columbus, OH	
33	C	Cincinnati, OH	
34	B	Louisville, KY (TOFC ONLY)	
35	C	E. St. Louis, IL	

THIS LISTING IS OF MDT OFFICE LOCATIONS AND CONTRACTED POINTS.

THE STATIONS NUMBER SEVERAL HUNDRED AND ARE THERFORE TOO NUMEROUS TO LIST.

THIS LISTING IS AVAILABLE AT THE CORPORATE HEADQUARTERS OFFICE.

562. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

Give the name, position, salary, and other compensation, such as bonus, commission, gift, reward, or fee, of each of the five persons named in Schedule 100 of this report to whom the respondent paid the largest amount during the year covered by this report as compensation for current or past service over and above necessary expenses incurred in discharge of duties, and in addition, all other officers, directors, pensioners, or employees, if any, to whom the respondent similarly paid $20,000 or more. If more convenient, this schedule may be filled out for a group of companies considered as one system and shown only in the report of the principal company in the system, with references thereto in the reports of the other companies. Any large "other compensation" should be explained in a footnote. If salary of an individual was changed during the year, show salary before each change as well as at close of year. If an officer, director, etc., receives compensation from more than one person furnishing cars or protective service (whether a subsidiary or not) or from a subsidiary company, reference to this fact should be made if his aggregate compensation amounts to $20,000 or more, and the detail as to division of the salary should be stated. By salary column (c) is meant the annual rate at which an employee is paid, rather than the amount actually paid for a part of a year when the salary is changed. Also, when a 10-percent (or other percent) reduction is made, the net rate and not the basic rate should be shown.

Line No.	Name of person (a)	Title (b)	Salary per annum as of close of year (see instructions)	Other compensation during the year (d)
			$	$
1	H. S. McDonald	President	61,000	
2	F. C. Underwood	Vice-President	39,000	
3	D. P. Mate	Dir.Eqpt.& Engineering	31,000	
4	C. E. Bullard	Mgr.Southern PPS Region	29,925	
5	L. E. Cunningham	Mgr. PPS Administration	28,441	
6	J. A. Rizzo	Mgr.Northern PPS Region	28,383	
7	H. Martin	Supr. Equipment	23,466	
8	N. E. Bramble	Ref.Eqpt.Co-ordinator	23,013	
9	P. W. Allen	Assistant Controller	22,000	
10	F. E. Langrehr	Sr.Dist.Supr. PPS	20.794	
11	E. P. Matthews	Traveling Eqpt.Inspector	20,593	
12	C. B. Dilday	Car Shop Foreman	20,265	
13				
14	Messrs. Baldwin, Fox, Mortensen &	Sullivan are employees of	Consolidated	Rail Corp.
15	Mr. Hohl is an employee of Excelsior	Truck Leasing Co.		
16	Mr. McDonald is also President of	Excelsior Truck Leasing Co,	75% of reported	
17	salary & fringes are netted agai	nst cost of services rendered	to respondent by	
18	Excelsior.			
19	See Management Service Contracts	Below		

563. PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

1. In the form below give information concerning payments, fees, retainers, brokerage, commissions, gifts, contributions, assessments, bonuses, pensions, subscriptions, allowance for expenses, or any form of payments amounting in the aggregate to $10,000 or more during the year to any corporation, institution, association, firm, partnership, committee, or any person (other than one of respondent's employees covered in schedule 562 in this annual report) for services or as a donation, except that with respect to contributions under $10,000 which are made in common with other persons furnishing cars or protective service under a joint arrangement in payment for the performance of services or as a donation, each such contribution shall be reported, irrespectively of the amount thereof, if the total amount paid by all contributors for the performance of the particular service is equal to the sum of $10,000 or more, which pertain or relate to the cars and protective service of the respondent.

2. To be included are, among others, payments directly or indirectly, for legal, medical, engineering, advertising, valuation, accounting, statistical, financial, educational, entertainment, charitable, advisory, defensive, detective, developmental, research, appraisal, registration, purchasing, architectural, and hospital services; payments for expert testimony and for handling wage disputes; and payments for services of banks, bankers, trust companies, insurance companies, brokers, trustees, promoters, solicitors, consultants, actuaries, investigators, inspectors, and efficiency engineers. Payments to the various railway associations, commissions, committees, bureaus, boards, and other organizations maintained jointly by railways shall also be included. The enumeration of these kinds of payments should not be understood as excluding other payments for services not excluded below.

3. 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 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 cars or protective service property, but any special and unusual payments for services should be reported. Payments of $10,000 or more to organizations maintained jointly by persons with other persons are not to be excluded even if their services are regarded as routine.

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

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

Line No.	Name of recipient (a)	Nature of service (b)	Amount of payment (c)
			$
1	Consolidated Rail Corp.	Management Services	908,095
2	Excelsior Truck Leasing Co.	Management Services (Net Cost)	30,997
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			

Schedule 570.—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, firm, 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.

Line No.	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							
2							
3			RESPONDENT'S CONTRACTS ARE NOT SUBJECT TO				
4							
5			SECTION 10 OF THE CLAYTON ACT AS RESPONDENT				
6							
7			IS NOT A COMMON CARRIER				
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
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25							
26							
27							
28							
29							
30							

OATH

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

State of Pennsylvania
County of Montgomery } ss:

Herbert S. McDonald makes oath and says that he is
(Insert here the name of the affiant)

President
(Insert here the official title of the affiant)

of MERCHANTS DESPATCH TRANSPORTATION CORPORATION
(Insert here the exact legal title or name of the respondent)

that it is his duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he has carefully examined the said report and to the best of his knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he believes that all other statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including January 1 19 79, to and including December 31, 19 79.

Herbert S. McDonald
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public, in and for the State and county above named, this 28th day of March, 19 80

My commission expires December 20, 1982

Claire Alessandroni
(Signature of officer authorized to administer oaths)

[Use an L. S. Impression Seal]

(For the use of the Interstate Commerce Commission only)

Examination:
Date
By
Memo of error

Correspondence:
Date
Subject
Answer needed
Answer received

Correction:
Date
Authority
Subject

U. S. GOVERNMENT PRINTING OFFICE : 1977 O - 240-931 (B-1)