

R-1 1970

MODESTO & EMPIRE TRACTION COMPANY

BUDGET BUREAU
No. 60-R099.21

INTERSTATE
COMMERCE COMMISSION
RECEIVED

MAR 31 1971

ADMINISTRATIVE SERVICES
MAIL BRANCH

ANNUAL REPORT

OF

MODESTO AND EMPIRE TRACTION COMPANY

P.O. Box 3106, MODESTO, CALIFORNIA 95353

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1970

3
5100
ORIGINAL

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. Attention is specially directed to the following provisions of Part I of the Interstate Commerce Act:

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

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

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

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

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

The respondent is further required to send to the Bureau of Accounts, immediately upon preparation, two copies of its latest annual report to stockholders. See schedule 350 A, page 3.

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

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

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

5. All entries should be made in a permanent black ink. Those of a contrary character should be indicated in parentheses. Items of an unusual character should be indicated by appropriate symbol and footnote.

Money items (except averages) throughout the annual report form should be shown in units of dollars adjusted to accord with footings.

6. Each respondent should make its annual report to this Commission in triplicate, retaining one copy in its files for reference in case correspondence with regard to such report becomes necessary. For this reason three copies of the Form are sent to each corporation concerned.

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

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

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

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

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

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

Switching and terminal companies are further classified as:

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

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

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

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

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

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

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

9. All companies using this Form should complete all schedules, with the following exceptions, which should severally be completed by the companies to which they are applicable:

Schedules restricted to Switching and Terminal Companies		Schedules restricted to other than Switching and Terminal Companies	
Schedule.....	2217	Schedule.....	2216
"	2701	"	2602

SPECIAL NOTICE

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

Page 5: Schedule 200L. Comparative General Balance Sheet - Liabilities and Shareholders' Equity

Reference to "qualization reserves" has been deleted.

Page 5A: Comparative General Balance Sheet - Explanatory Notes

Notes 1(d) and (e) have been added to disclose effects of the Tax Reform Act of 1969.

Page 7: Schedule 701. Road and Equipment Property

Reference to "Leased property capitalized rentals" has been deleted.

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

Provision has been made to disclose effects of the Tax Reform Act of 1969.

Page 36: Schedule 701. Road and Equipment Property

Reference to "Leased property capitalized rentals" has been deleted.

ANNUAL REPORT

OF

MODESTO AND EMPIRE TRACTION COMPANY

MODESTO, CALIFORNIA 95353

FOR THE

YEAR ENDED DECEMBER 31, 1970

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

(Name) ROBERT B. BEARD (Title) VICE-PRESIDENT, SECRETARY, TREASURER

(Telephone number) 209 524-4631
(Area code) (Telephone number)

(Office address) P.O. BOX 3106 530-11TH STREET, MODESTO, CALIF. 95353
(Street and number, City, State, and ZIP code)

300. IDENTITY OF RESPONDENT

1. Give the exact name* by which the respondent was known in law at the close of the year
MODESTO AND EMPIRE TRACTION COMPANY
2. State whether or not the respondent made an annual report to the Interstate Commerce Commission for the preceding year, or for any part thereof. If so, in what name was such report made? YES - MODESTO AND EMPIRE TRACTION COMPANY
3. If any change was made in the name of the respondent during the year, state all such changes and the dates on which they were made
NONE
4. Give the location (including street and number) of the main business office of the respondent at the close of the year
P.O. Box 3106 530-11TH STREET, MODESTO, CALIFORNIA 95353
5. Give the titles, names, and office addresses of all general officers of the respondent at the close of the year. If there are receivers who are recognized as in the controlling management of the road, give also their names and titles, and the location of their offices.

Line No.	Title of general officer (a)	Name and office address of person holding office at close of year (b)
	CHAIRMAN OF THE BOARD	JOHN B. BEARD - 530 11TH ST., MODESTO, CALIF. 95353
1	President	RICHARD F. OLSEN " " " "
2	Vice president	
3	Secretary	ROBERT B. BEARD " " " "
4	Treasurer	
5	Comptroller or auditor	
6	Attorney or general counsel	MC CUTCHEN, DOYLE, BROWN & ENERSEN - 601 CALIFORNIA ST., SAN FRANCISCO, CALIF. 94108
7	General manager	
8	General superintendent	
9	General freight agent	
10	General passenger agent	
11	General land agent	
12	Chief engineer	
13		

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

Line No.	Name of director (a)	Office address (b)	Term expires (c)
	J. B. BEARD	530-11TH ST. MODESTO, CALIF.	WHEN SUCCESSOR ELECTED.
31	R. F. OLSEN	" " " "	" " "
32	R. B. BEARD	" " " "	" " "
33	T. K. BEARD	" " " "	" " "
34	W. P. BEARD	" " " "	" " "
35	FRANKLIN BEARD	" " " "	" " "
36	F. M. BRACK	" " " "	" " "
37	DOROTHY BURNETT	" " " "	" " "
38	ROBERT L. HOOVER	" " " "	" " "
39	R. C. WILBUR	" " " "	" " "
40	J. G. STARKEY	203 SANTA FE BLDG., LOS ANGELES, CAL.	" " "

7. Give the date of incorporation of the respondent OCT. 7, 1911 8. State the character of motive power used DIESEL-ELECTRIC
9. Class of switching and terminal company S-5
10. Under the laws of what Government, State, or Territory was the respondent organized? If more than one, name all. Give reference to each statute and all amendments thereof, effected during the year. If previously effected, show the year(s) of the report(s) setting forth details. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees
CALIFORNIA - GENERAL LAWS OF THE STATE OF CALIFORNIA
11. State whether or not any corporation or association or group of corporations had, at the close of the year, the right to name the major part of the board of directors, managers, or trustees of the respondent; and if so, give the names of all such corporations and state whether such right was derived through (a) title to capital stock or other securities issued or assumed by the respondent, (b) claims for advances of funds made for the construction of the road and equipment of the respondent, or (c) express agreement or some other source

BEARD LAND & INVESTMENT COMPANY - TITLE TO CAPITAL STOCK

12. Give hereunder a history of the respondent from its inception to date, showing all consolidations, mergers, reorganizations, etc., and if a consolidated or merging corporation give like particulars for all constituent and subconstituent corporations. Describe also the course of construction of the road of the respondent, and its financing THE CORPORATION WAS CAPITALIZED FOR \$20,000 BEING 200 SHARES AT PAR VALUE OF \$100.00 EACH. ONLY 50 SHARES HAVE BEEN SOLD FOR PAR VALUE OF \$5,000. THERE HAVE BEEN NO CONSOLIDATIONS, MERGERS OR REORGANIZATIONS

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

350. STOCKHOLDERS

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

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

Line No.	Name of security holder	Address of security holder	Number of votes to which security holder was entitled	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED			
				Common	STOCKS		Other securities with voting power
					Second	First	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	BEARD LAND & INVESTMENT	530-11TH STREET	50	50	NONE	NONE	NONE
2	COMPANY	MODESTO, CALIF.					
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							
29							
30							

350A. STOCKHOLDERS REPORTS

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

Check appropriate box:

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

200A. COMPARATIVE GENERAL BALANCE SHEET—ASSETS

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

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

Line No.	Balance at beginning of year (a)			Account or item (b)	Balance at close of year (c)		
CURRENT ASSETS							
1	\$	526	398	(701) Cash	\$	181	823
2		480	987	(702) Temporary cash investments		1149	589
3				(703) Special deposits			
4				(704) Loans and notes receivable			
5				(705) Traffic and car-service balances—Debit			
6		268	002	(706) Net balance receivable from agents and conductors		249	739
7		27	659	(707) Miscellaneous accounts receivable		15	001
8		8	000	(708) Interest and dividends receivable		20	094
9		262	874	(709) Accrued accounts receivable		366	913
10				(710) Working fund advances			
11		85	933	(711) Prepayments		53	769
12		155	348	(712) Material and supplies		129	332
13		9	048	(713) Other current assets		14	611
14		1774	299	Total current assets		2180	871
SPECIAL FUNDS							
15				(715) Sinking funds	(b ₁) Total book assets at close of year	(b ₂) Respondent's own issues included in (b ₁)	
16				(716) Capital and other reserve funds			
17				(717) Insurance and other funds			
18				Total special funds			
INVESTMENTS							
19		3519	530	(721) Investments in affiliated companies (pp. 10 and 11)		3639	530
20				(722) Other investments (pp. 10 and 11)			
21				(723) Reserve for adjustment of investment in securities—Credit			
22		3519	530	Total investments (accounts 721, 722 and 723)		3639	530
PROPERTIES							
23		309	438	(731) Road and equipment property (p. 7)		322	668
24	x	x	x	Road	\$	274	496
25	x	x	x	Equipment		48	172
26	x	x	x	General expenditures			
27	x	x	x	Other elements of investment			
28	x	x	x	Construction work in progress		-4-	
29				(732) Improvements on leased property (p. 7)			
30	x	x	x	Road	\$		
31	x	x	x	Equipment			
32	x	x	x	General expenditures			
33		309	438	Total transportation property (accounts 731 and 732)		322	668
34		46	657	(735) Accrued depreciation—Road and Equipment (pp. 15 and 16)		52	290
35				(736) Amortization of defense projects—Road and Equipment (p. 18)			
36		46	657	Recorded depreciation and amortization (accounts 735 and 736)		52	290
37		262	781	Total transportation property less recorded depreciation and amortization (line 33 less line 36)		270	378
38				(737) Miscellaneous physical property			
39				(738) Accrued depreciation—Miscellaneous physical property (p. 19)			
40				Miscellaneous physical property less recorded depreciation (account 737 less 738)			
41		262	781	Total properties less recorded depreciation and amortization (line 37 plus line 40)		270	378
OTHER ASSETS AND DEFERRED CHARGES							
42				(741) Other assets			
43				(742) Unamortized discount on long-term debt			
44		41	48	(743) Other deferred charges (p. 20)		12	432
45		41	48	Total other assets and deferred charges		12	432
46		5560	758	TOTAL ASSETS		6103	211

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

200L. COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY

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

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

Line No.	Balance at beginning of year		Account or Item	Balance at close of year	
	(a)		(b)	(c)	
CURRENT LIABILITIES					
47			(751) Loans and notes payable (p. 20)		
48	410	760	(752) Traffic and car-service balances—Credit	313	322
49	26	098	(753) Audited accounts and wages payable	19	641
50	130	325	(754) Miscellaneous accounts payable	187	249
51			(755) Interest matured unpaid		
52			(756) Dividends matured unpaid		
53			(757) Unmatured interest accrued		
54	46	312	(758) Unmatured dividends declared		
55	44	761	(759) Accrued accounts payable	76	677
56	61	889	(760) Federal income taxes accrued	163	689
57	21	192	(761) Other taxes accrued	36	571
58	809	380	(763) Other current liabilities	856	621
59	1	550	Total current liabilities (exclusive of long-term debt due within one year)	1	653
		843			790
LONG-TERM DEBT DUE WITHIN ONE YEAR					
60			(764) Equipment obligations and other debt (pp. 5B and 8)	(b ₁) Total issued	(b ₂) Held by or for respondent
LONG-TERM DEBT DUE AFTER ONE YEAR					
61			(765) Funded debt unmatured (p. 5B)	(b ₁) Total issued	(b ₂) Held by or for respondent
62			(766) Equipment obligations (p. 8)		
63			(767) Receivers' and Trustees' securities (p. 5B)		
64			(768) Debt in default (p. 20)		
65			(769) Amounts payable to affiliated companies (p. 8)		
66			Total long-term debt due after one year		
RESERVES					
67		542	(771) Pension and welfare reserves		525
68			(772) Insurance reserves		
69			(773) Casualty and other reserves		
70		542	Total reserves		525
OTHER LIABILITIES AND DEFERRED CREDITS					
71			(781) Interest in default		
72			(782) Other liabilities		
73			(783) Unamortized premium on long-term debt		
74		1 668	(784) Other deferred credits (p. 20)		503
75			(785) Accrued depreciation—Leased property (p. 17)		
76		1 668	Total other liabilities and deferred credits		503
SHAREHOLDERS' EQUITY					
Capital stock (Par or stated value)					
77		5 000	(791) Capital stock issued—Total	(b ₁) Total issued	(b ₂) Held by or for company
78			Common stock (p. 5B)		5 000
79			Preferred stock (p. 5B)		
80			(792) Stock liability for conversion		
81			(793) Discount on capital stock		
82		5 000	Total capital stock		5 000
Capital Surplus					
83			(794) Premiums and assessments on capital stock (p. 19)		
84	2	389	(795) Paid-in surplus (p. 19)	2	389
85		530	(796) Other capital surplus (p. 19)		530
86	2	389	Total capital surplus	2	389
		530			530
Retained Income					
87			(797) Retained income—Appropriated (p. 19)		
88	1	613	(798) Retained income—Unappropriated (p. 21A)	2	053
89	1	613	Total retained income	2	053
90	4	007	Total shareholders' equity	4	448
91	5	560	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	6	103
		758			211

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

COMPARATIVE GENERAL BALANCE SHEET—EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word, "None"; and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes explanatory statements explaining (1) the procedure in accounting for pension funds including payments to trustees and recording in the accounts pension costs, indicating whether or not consistent with the prior year, and state the amount, as nearly as practicable, of unfunded past service costs; (2) service interruption insurance policies and indicate the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (3) particulars concerning obligations for stock purchase options granted to officers and employees; and (4) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements.

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

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

(b) Estimated accumulated net reduction in Federal income taxes because of accelerated depreciation of facilities since December 31, 1953, under provisions of section 167 of the Internal Revenue Code and depreciation deductions resulting from the use of the guideline lives, since December 31, 1961, pursuant to Revenue Procedure 62-21 in excess of recorded depreciation \$ NONE

(c) Estimated accumulated net income tax reduction realized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962 compared with the income taxes that would otherwise have been payable without such investment tax credit... \$ 14,509

(d) Estimated accumulated net reduction in Federal income taxes because of accelerated amortization of certain rolling stock since December 31, 1969, under provisions of Section 154 of the Internal Revenue Code..... \$ NONE

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

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

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

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

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

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

5. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1, 1971 \$ NONE

1. PENSION PLAN FOR VARIOUS EMPLOYEES

PAID CONNECTICUT GENERAL LIFE INS. CO. \$11,000 FOR 1970 INCLUDING PORTION OF UNFUNDED PAST SERVICES UNDER QUALIFIED DEPOSIT ADMINISTRATION PLAN ADOPTED 11/1/70. UNFUNDED PAST SERVICE ACTUARIALLY DETERMINED TO BE APPROXIMATELY \$81,000, TO BE AMORTIZED OVER 30 YEARS ACCORDING TO IRS PROCEDURE. EACH ANNUAL PAYMENT INCLUDES A PORTION OF UNFUNDED PAST SERVICE.

ALSO PAID CONNECTICUT GENERAL LIFE INS. CO. \$214 ON LIFE INSURANCE POLICIES FOR TWO RETIREES CONSISTENT WITH 1969.

2. NO SERVICE INTERRUPTION INSURANCE CARRIED.

3. NO STOCK OPTION PLAN.

4. NONE.

670. FUNDED DEBT UNMATURED

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

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

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

Line No.	Name and character of obligation (a)	Nominal date of issue (b)	Date of maturity (c)	INTEREST PROVISIONS		Total amount nominally and actually issued (f)	Nominally issued and held by or for respondent (Identify pledged securities by symbol "P") (g)	Total amount actually issued (h)	Reacquired and held by or for respondent (Identify pledged securities by symbol "P") (i)	Actually outstanding at close of year (j)	INTEREST DURING YEAR	
				Rate percent per annum (d)	Dates due (e)						Accrued (k)	Actually paid (l)
1						\$		\$		\$		\$
2												
3												
4												
	TOTAL											

5 Funded debt canceled: Nominally issued, \$ NONE Actually issued, \$ NONE

6 Purpose for which issue was authorized† NONE

690. CAPITAL STOCK

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

Line No.	Class of stock (a)	Date issue was authorized† (b)	Par value per share (c)	Authorized† (d)	Authenticated (e)	PAR VALUE OF PAR VALUE OR SHARES OF NONPAR STOCK			ACTUALLY OUTSTANDING AT CLOSE OF YEAR			
						Nominally issued and held by or for respondent (Identify pledged securities by symbol "P") (f)	Total amount actually issued (g)	Reacquired and held by or for respondent (Identify pledged securities by symbol "P") (h)	Par value of per-value stock (i)	Shares WITHOUT PAR VALUE	Number (j)	Book value (k)
11	<u>Common</u>	<u>10/7/11</u>	\$ <u>100</u>	\$ <u>20,000</u>	\$ <u>5,000</u>	\$ <u>NONE</u>	\$ <u>5,000</u>	\$ <u>NONE</u>	\$ <u>5,000</u>	<u>NONE</u>		
12												
13												
14												

15 Par value of par value or book value of nonpar stock canceled: Nominally issued, \$ NONE Actually issued, \$ NONE

16 Amount of receipts outstanding at the close of the year for installments received on subscriptions for stocks NONE

17 Purpose for which issue was authorized† OPERATING

18 The total number of stockholders at the close of the year was ONE

695. RECEIVERS' AND TRUSTEES' SECURITIES

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

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

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

701. ROAD AND EQUIPMENT PROPERTY

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

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

3. Report on line 34 amounts not includable in the primary road accounts. The items reported should be briefly identified and explained in a footnote on page 6. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

Line No.	Account (a)	Balance at beginning of year (b)	Gross charges during year (c)	Credits for property retired during year (d)	Balance at close of year (e)
		\$	\$	\$	\$
1	(1) Engineering.....	3 729			3 729
2	(2) Land for transportation purposes.....	4 100			4 100
3	(2½) Other right-of-way expenditures.....				
4	(3) Grading.....	11 813			11 813
5	(5) Tunnels and subways.....				
6	(6) Bridges, trestles, and culverts.....	1 860			1 860
7	(7) Elevated structures.....				
8	(8) Ties.....	11 838			11 838
9	(9) Rails.....	16 073			16 073
10	(10) Other track material.....	36 372			36 372
11	(11) Ballast.....	6 614			6 614
12	(12) Track laying and surfacing.....	48 280			48 280
13	(13) Fences, snowsheds, and signs.....		1 218		1 218
14	(16) Station and office buildings.....	64 773	7 092		71 865
15	(17) Roadway buildings.....				
16	(18) Water stations.....				
17	(19) Fuel stations.....				
18	(20) Shops and enginehouses.....				
19	(21) Grain elevators.....				
20	(22) Storage warehouses.....				
21	(23) Wharves and docks.....				
22	(24) Coal and ore wharves.....				
23	(26) Communication systems.....	9 913	4 573		14 486
24	(27) Signals and interlockers.....	10 526			10 526
25	(29) Power plants.....				
26	(31) Power-transmission systems.....				
27	(35) Miscellaneous structures.....				
28	(37) Roadway machines.....	16 150			16 150
29	(38) Roadway small tools.....				
30	(39) Public improvements—Construction.....	17 773			17 773
31	(43) Other expenditures—Road.....				
32	(44) Shop machinery.....	1 799			1 799
33	(45) Power-plant machinery.....				
34	Other (specify and explain).....				
35	TOTAL EXPENDITURES FOR ROAD.....	261 613	12 883		274 496
36	(51) Steam locomotives.....				
37	(52) Other locomotives.....	2 646	2 669		5 315
38	(53) Freight-train cars.....				
39	(54) Passenger-train cars.....				
40	(56) Floating equipment.....				
41	(57) Work equipment.....	41 098	15 411	(13 652)	42 857
42	(58) Miscellaneous equipment.....	43 744	18 080	(13 652)	48 172
43	TOTAL EXPENDITURES FOR EQUIPMENT.....				
44	(71) Organization expenses.....				
45	(76) Interest during construction.....				
46	(77) Other expenditures—General.....				
47	TOTAL GENERAL EXPENDITURES.....				
48	TOTAL.....	305 357	30 963	(13 652)	322 668
49	(80) Other elements of investment.....				
50	(90) Construction work in progress.....	4 081	(4 081)		- 0 -
51	GRAND TOTAL.....	309 438	26 882	(13 652)	322 668

801. PROPRIETARY COMPANIES

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

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

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

Line No.	Name of proprietary company (a)	MILEAGE OWNED BY PROPRIETARY COMPANY					Investment in transportation property (accounts Nos. 731 and 732) (g)	Capital stock (account No. 791) (h)	Unmatured funded debt (account No. 766) (i)	Debt in default (account No. 763) (j)	Amounts payable to affiliated companies (account No. 769) (k)
		Road (b)	Second and additional main tracks (c)	Passing tracks, crossovers, and turnouts (d)	Way switching tracks (e)	Yard switching tracks (f)					
1						NONE					
2											
3											
4											
5											
6											

901. AMOUNTS PAYABLE TO AFFILIATED COMPANIES

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

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

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

Line No.	Name of creditor company (a)	Rate of interest (b)	Balance at beginning of year (c)	Balance at close of year (d)	Interest accrued during year (e)	Interest paid during year (f)
21	NONE	%	\$	\$	\$	\$
22						
23						
24						
25						
26						
			TOTAL			

902. EQUIPMENT COVERED BY EQUIPMENT OBLIGATIONS

Give the particulars called for regarding the equipment obligations included in the balance outstanding in accounts Nos. 764, "Equipment obligations and other debt due within one year," and 766, "Equipment obligations," 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 current rate of

interest, in column (d) show the contract price at which the equipment is acquired, and in column (e) the amount of cash paid upon acceptance of the equipment.

Line No.	Designation of equipment obligation (a)	Description of equipment covered (b)	Current rate of interest (c)	Contract price of equipment acquired (d)	Cash paid on acceptance of equipment (e)	Actually outstanding at close of year (f)	Interest accrued during year (g)	Interest paid during year (h)
41		NONE	%	\$	\$	\$	\$	\$
42								
43								
44								
45								
46								
47								
48								
49								
50								

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 1001 AND 1002

1. Schedules 1001 and 1002 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of other corporations held by respondent at the close of the year specifically as investments, including obligations of the United States, of a State or local government, or of an individual, so held, in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; 721, "Investments in affiliated companies"; 722, "Other investments"; and 717, "Insurance and other funds"; investments made, disposed of, or written down during the year; and dividends and interest credited to income. Securities of affiliated companies are reportable in schedule No. 1001, and securities of nonaffiliated companies in schedule No. 1002. For definition of affiliated companies, see the rules governing account No. 721, "Investments in affiliated companies," in the Uniform System of Accounts for Railroad Companies.

2. These investments should be subdivided to show the par value pledged, unpledged, and held in fund accounts. Under "pledged" include the par value of securities recorded in accounts Nos. 721, "Investments in affiliated companies," and 722, "Other investments," which are deposited with some pledgee or other trustee, or held subject to the lien of a chattel mortgage, or subject to any other restriction or condition which makes them unavailable for general corporate purposes. "Unpledged" should include all securities held by or for the respondent free from any lien or restriction, recorded in the accounts mentioned above. Under "In sinking, insurance, and other funds" include the par value of securities recorded in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; and 717, "Insurance and other funds."

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

(A) Stocks:

- (1) Carriers—active.
- (2) Carriers—inactive.
- (3) Noncarriers—active.
- (4) Noncarriers—inactive.

(B) Bonds (including U. S. Government Bonds):

(C) Other secured obligations:

(D) Unsecured notes:

(E) Investment advances:

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

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

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

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

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

9. Classify the securities according to the classification given above, showing the subclass by means of letters and figures in columns (a) and (b). Indicate by means of an arbitrary mark in column (c) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

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

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

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

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

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

Line No.	Ac-count No.	Class No.	Name of issuing company and description of security held, also lien reference, if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR							
					PAR VALUE OF AMOUNT HELD AT CLOSE OF YEAR							
					Pledged		Unpledged		In sinking, insurance, and other funds		Total par value	
	(a)	(b)	(c)	(d)	(e)		(f)		(g)		(h)	
1	721	A-3	BEARD LAND IMPROVEMENT Co.	100	\$		\$		\$		\$	100 000
2												
3												
4												
5												
6												
7												
8												
9												
10												

1002. OTHER INVESTMENTS (See page 9 for Instructions)

Line No.	Ac- count No.	Class No.	Name of issuing company or government and description of security held, also lien reference, if any	INVESTMENTS AT CLOSE OF YEAR											
				PAR VALUE OF AMOUNT HELD AT CLOSE OF YEAR											
				Pledged (d)			Unpledged (e)			In sinking, insurance, and other funds (f)			Total par value (g)		
(a)	(b)	(c)	\$			\$			\$			\$			
21			NONE												
22															
23															
24															
25															
26															
27															
28															
29															
30															
31															

1001. INVESTMENTS IN AFFILIATED COMPANIES—Concluded

INVESTMENTS AT CLOSE OF YEAR			INVESTMENTS MADE DURING YEAR						INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR						DIVIDENDS OR INTEREST DURING YEAR			Line No.			
Total book value			Par value			Book value			Par value			Book value*			Selling price				Rate	Amount credited to income	
(i)			(j)			(k)			(l)			(m)			(n)				(o)	(p)	
\$			\$			\$			\$			\$			\$			%	\$		
3	639	530																		120	000

CONSENT DIVIDEND RECEIVED IN 1970 — 120,000

1002. OTHER INVESTMENTS—Concluded

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

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

1201. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING CARRIER AND NONCARRIER SUBSIDIARIES

1. Give particulars of investments represented by securities and advances (including securities issued or assumed by respondent), and of other intangible property, indirectly owned or controlled by respondent through any subsidiary which does not report to the Commission under the provisions of Part 1 of the Interstate Commerce Act, without regard to any question of whether the company issuing the securities, or the obligor, is controlled by the subsidiary.

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

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

Line No.	Class No.	Name of issuing company and security or other intangible thing in which investment is made (list on same line in second section and in same order as in first section)	INVESTMENTS AT CLOSE OF YEAR						INVESTMENTS MADE DURING YEAR					
			Total par value			Total book value			Par value			Book value		
			(c)			(d)			(e)			(f)		
	(a)	(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														

Line No.	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR						Names of subsidiaries in connection with things owned or controlled through them			
	Par value			Book value				Selling price		
	(g)			(h)				(i)		
	\$			\$				\$		
1										NONE
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										

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

1. Show in columns (b) and (e), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in columns (c) and (f) show the depreciation base used in computing the depreciation charges for the month of December; in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 29 and 38 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include the cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the com-

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

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

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

4. If the depreciation base for accounts 1, 2½, 3, 5, and 39 includes non-depreciable property, a statement to that effect should be made in a footnote.

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

Line No.	Account (a)	OWNED AND USED				LEASED FROM OTHERS			
		DEPRECIATION BASE		Annual composite rate (percent) (d)		DEPRECIATION BASE		Annual composite rate (percent) (g)	
		At beginning of year (b)	At close of year (c)			At beginning of year (e)	At close of year (f)		
		\$	\$	%		\$	\$	%	
1	ROAD								
2	(1) Engineering	3 729	3 729	60		21 386	26 495	60	
3	(2½) Other right-of-way expenditures								
4	(3) Grading *	11 213	11 213	—		63 184	65 703	—	
5	(5) Tunnels and subways								
6	(6) Bridges, trestles, and culverts	1 260	1 260	1.55		34 557	34 557	1.55	
7	(7) Elevated structures								
8	(13) Fences, snowsheds, and signs		1 212	2.00					
9	(15) Station and office buildings	64 773	71 265	4.71		98 573	115 302	2.05	
10	(17) Roadway buildings								
11	(18) Water stations								
12	(19) Fuel stations								
13	(20) Shops and enginehouses								
14	(21) Grain elevators								
15	(22) Storage warehouses								
16	(23) Wharves and docks								
17	(24) Coal and ore wharves								
18	(26) Communication systems	9 913	14 486	10.00					
19	(27) Signals and interlockers	10 526	10 526	4.00		8 844	8 844	4.00	
20	(29) Power plants								
21	(31) Power-transmission systems *					17	17	—	
22	(35) Miscellaneous structures								
23	(37) Roadway machines	16 150	16 150	6.40					
24	(39) Public improvements—Construction	17 773	17 773	3.65		17 50	2 108	3.65	
25	(44) Shop machinery	1 799	1 799	1.60					
26	(45) Power-plant machinery								
27	All other road accounts								
28	Amortization (other than defense projects)								
29	Total road	138 336	151 219	4.57		228 311	253 032	1.66	
30	EQUIPMENT								
31	(51) Steam locomotives								
32	(52) Other locomotives	2 646	5 315	10.00					
33	(53) Freight-train cars								
34	(54) Passenger-train cars								
35	(56) Floating equipment								
36	(57) Work equipment								
37	(58) Miscellaneous equipment	41 098	42 257	20.00					
38	Total equipment	43 744	48 172	16.53					
39	GRAND TOTAL	182 080	199 391	xx	xx	228 311	253 032	xx	xx

* GRADING CONSIDERED NON-DEPRECIABLE

* POWER TRANSMISSION SYSTEMS CONSIDERED NON-DEPRECIABLE

1303. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT LEASED TO OTHERS

1. This schedule is to be used in cases where the related depreciation reserve is carried in the accounts of the respondent, and the rent therefrom is included in account No. 509.

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

3. In column (d) show the composite rates used in computing the depreciation for the month of December and on lines 28 and 37 of this column show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary accounts composite rates to the depreciation base used in computing the depreciation for December and dividing the total so computed by the depreciation base.

4. If the depreciation base for accounts 1, 2½, 3, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

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

Line No.	Account	DEPRECIATION BASE				Annual composite rate (percent)	
		Beginning of year		Close of year			
	(a)	(b)		(c)		(d)	(e)
		\$		\$			%
1	ROAD						
2	(1) Engineering.....						
3	(2½) Other right-of-way expenditures.....						
4	(3) Grading.....						
5	(5) Tunnels and subways.....						
6	(6) Bridges, trestles, and culverts.....						
7	(7) Elevated structures.....						
8	(13) Fences, snowsheds, and signs.....						
9	(16) Station and office buildings.....						
10	(17) Roadway buildings.....						
11	(18) Water stations.....						
12	(19) Fuel stations.....						
13	(20) Shops and enginehouses.....						
14	(21) Grain elevators.....						
15	(22) Storage warehouses.....						
16	(23) Wharves and docks.....						
17	(24) Coal and ore wharves.....						
18	(26) Communication systems.....						
19	(27) Signals and interlockers.....						
20	(29) Power plants.....						
21	(31) Power-transmission systems.....						
22	(35) Miscellaneous structures.....						
23	(37) Roadway machines.....						
24	(39) Public improvements—Construction.....						
25	(44) Shop machinery.....						
26	(45) Power-plant machinery.....						
27	All other road accounts.....						
28	Total road.....						
29	EQUIPMENT						
30	(51) Steam locomotives.....						
31	(52) Other locomotives.....						
32	(53) Freight-train cars.....						
33	(54) Passenger-train cars.....						
34	(56) Floating equipment.....						
35	(57) Work equipment.....						
36	(58) Miscellaneous equipment.....						
37	Total equipment.....						
38	GRAND TOTAL.....					XX	XX

1501. DEPRECIATION RESERVE—ROAD AND EQUIPMENT OWNED AND USED

1. Give the particulars called for hereunder with respect to credits and debits to account No. 735, "Accrued depreciation—Road and Equipment," during the year relating to road and equipment owned and used. This schedule should not include any entries for depreciation of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include entries for depreciation of equipment owned but not used when the rents therefrom are included in the rent for equipment accounts Nos. 553 to 507, inclusive. (See schedule 1502 for the reserve relating to road and equipment owned but not used by the respondent.) If any

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

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

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

Line No.	Account (a)	Balance at beginning of year (b)		CREDITS TO RESERVE DURING THE YEAR		DEBITS TO RESERVE DURING THE YEAR		Balance at close of year (g)	
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		\$		\$	\$	\$	\$	\$	
1	ROAD								
2	(1) Engineering		21		22				43
3	(2½) Other right-of-way expenditures								
4	(3) Grading								
5	(5) Tunnels and subways								
6	(6) Bridges, trestles, and culverts		74		29				103
7	(7) Elevated structures								
8	(13) Fences, snowsheds, and signs								
9	(16) Station and office buildings		10 197		3 047				13 244
10	(17) Roadway buildings								
11	(18) Water stations								
12	(19) Fuel stations								
13	(20) Shops and enginehouses								
14	(21) Grain elevators								
15	(22) Storage warehouses								
16	(23) Wharves and docks								
17	(24) Coal and ore wharves								
18	(26) Communication systems		6 852		1 144				7 996
19	(27) Signals and interlockers		567		421				988
20	(29) Power plants								
21	(31) Power-transmission systems								
22	(35) Miscellaneous structures								
23	(37) Roadway machines		5 202		1 034				6 236
24	(39) Public improvements—Construction		300		649				949
25	(44) Shop machinery*		508		29				537
26	(45) Power-plant machinery*								
27	All other road accounts								
28	Amortization (other than defense projects)								
29	Total road		23 721		6 375				30 096
30	EQUIPMENT								
31	(51) Steam locomotives								
32	(52) Other locomotives		1 495		391				1 886
33	(53) Freight-train cars								
34	(54) Passenger-train cars								
35	(56) Floating equipment								
36	(57) Work equipment								
37	(58) Miscellaneous equipment		21 441		7 570		8 703		20 308
38	Total equipment		22 936		7 961		8 703		22 194
39	GRAND TOTAL		46 657		14 336		8 703		52 290

*Chargeable to account 2223.

1502. DEPRECIATION RESERVE—ROAD AND EQUIPMENT LEASED TO OTHERS

1. This schedule is to be used in cases where the depreciation reserve is carried in the accounts of the respondent, and the rent therefrom is included in account No. 509.

2. Give the particulars called for hereunder with respect to credits and debits to account No. 735, "Accrued depreciation—Road and Equipment," during the year relating to road and equipment leased to others,

the depreciation charges for which are not includable in operating expenses of the respondent. (See schedule 1501 for the reserve relating to road and equipment owned and used by the respondent.)

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

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

1503. DEPRECIATION RESERVE—ROAD AND EQUIPMENT LEASED FROM OTHERS

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

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

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

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

5. If settlement for depreciation is made currently between lessee and lessor, and no debits or credits to account No. 785 are made by the accounting company, show in column (c) the charges to operating expenses and in column (f) show payments made to the lessor in settlement thereof.

Line No.	Account (a)	Balance at beginning of year (b)			CREDITS TO RESERVE DURING THE YEAR						DEBITS TO RESERVE DURING THE YEAR						Balance at close of year (g)		
					Charges to operating expenses (c)			Other credits (d)			Retirements (e)			Other debits (f)					
		\$			\$			\$			\$			\$			\$		
1	ROAD																		
2	(1) Engineering							133									133		
3	(2½) Other right-of-way expenditures																		
4	(3) Grading																		
5	(5) Tunnels and subways																		
6	(6) Bridges, trestles, and culverts							536									536		
7	(7) Elevated structures																		
8	(13) Fences, snowsheds, and signs																		
9	(16) Station and office buildings							2021					1285				2021		
10	(17) Roadway buildings																		
11	(18) Water stations																		
12	(19) Fuel stations																		
13	(20) Shops and enginehouses																		
14	(21) Grain elevators																		
15	(22) Storage warehouses																		
16	(23) Wharves and docks																		
17	(24) Coal and ore wharves																		
18	(26) Communication systems																		
19	(27) Signals and interlockers							354									354		
20	(29) Power plants																		
21	(31) Power-transmission systems																		
22	(35) Miscellaneous structures																		
23	(37) Roadway machines																		
24	(39) Public improvements—Construction							64									64		
25	(44) Shop machinery*																		
26	(45) Power-plant machinery*																		
27	All other road accounts																		
28	Total road							3108					1285				3108		
29	EQUIPMENT																		
30	(51) Steam locomotives																		
31	(52) Other locomotives																		
32	(53) Freight-train cars																		
33	(54) Passenger-train cars																		
34	(56) Floating equipment																		
35	(57) Work equipment																		
36	(58) Miscellaneous equipment																		
37	Total equipment																		
38	GRAND TOTAL							3108					1285				3108		

*Chargeable to account 2223.

COL. F. AMOUNTS PAID CURRENTLY TO MODESTO INTERURBAN RAILWAY
IN ACCORDANCE WITH LEASE.

1605. AMORTIZATION OF DEFENSE PROJECTS—ROAD AND EQUIPMENT OWNED AND LEASED FROM OTHERS

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

2. Show in columns (f) to (i) the balance at the close of the year and all credits and debits during the year in reserve account No. 736, "Amortization of defense projects—Road and Equipment."

3. The information requested for "Road" by columns (b) through (i) may be shown by projects amounting to \$100,000

or more, or by single entries as "Total road" in line 28. If reported by projects, each project should be briefly described, stating kind, location, and authorization date and number. Projects amounting to less than \$100,000 should be combined in a single entry designated "Minor items, each less than \$100,000."

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

Line No.	Description of property or account (a)	BASE												RESERVE											
		Debits during year (b)			Credits during year (c)			Adjustments (d)			Balance at close of year (e)			Credits during year (f)			Debits during year (g)			Adjustments (h)			Balance at close of year (i)		
		\$	xx	xx	\$	xx	xx	\$	xx	xx	\$	xx	xx	\$	xx	xx	\$	xx	xx	\$	xx	xx	\$	xx	xx
1	ROAD:	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx
2																									
3																									
4																									
5	NONE																								
6																									
7																									
8																									
9																									
10																									
11																									
12																									
13																									
14																									
15																									
16																									
17																									
18																									
19																									
20																									
21																									
22																									
23																									
24																									
25																									
26																									
27																									
28	TOTAL ROAD																								
29	EQUIPMENT:	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	
30	(51) Steam locomotives																								
31	(52) Other locomotives																								
32	(53) Freight-train cars																								
33	(54) Passenger-train cars																								
34	(56) Floating equipment																								
35	(57) Work equipment																								
36	(58) Miscellaneous equipment																								
37	TOTAL EQUIPMENT																								
38	GRAND TOTAL																								

1607. DEPRECIATION RESERVE—MISCELLANEOUS PHYSICAL PROPERTY

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

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

Line No.	Item (Kind of property and location) (a)	Balance at beginning of year (b)			Credits during year (c)			Debits during year (d)			Balance at close of year (e)			Rates (percent) (f) %	Base (g)		
		\$			\$			\$			\$				\$		
1																	
2																	
3	NONE																
4																	
5																	
6																	
7																	
8																	
9																	
10																	
11																	
12																	
13																	
14																	
15	TOTAL																

1608. CAPITAL SURPLUS

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

Line No.	Item (a)	Contra account number (b)	ACCOUNT NO.					
			794. Premiums and assessments on capital stock (c)			795. Paid-in surplus (d)		
			\$			\$		
31	Balance at beginning of year	x x x				2 389 530		
32	Additions during the year (describe):							
33								
34								
35								
36								
37	Total additions during the year	x x x						
38	Deductions during the year (describe):							
39								
40								
41								
42	Total deductions	x x x						
43	Balance at close of year	x x x				2 389 530		

1609. RETAINED INCOME—APPROPRIATED

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

Line No.	Class of appropriation (a)	Credits during year (b)			Debits during year (c)			Balance at close of year (d)		
		\$			\$			\$		
61	Additions to property through retained income									
62	Funded debt retired through retained income									
63	Sinking fund reserves									
64	Miscellaneous fund reserves									
65	Retained income—Appropriated (not specifically invested)									
66	Other appropriations (specify):									
67										
68										
69										
70										
71										
72										
73										
74	TOTAL									

1701. LOANS AND NOTES PAYABLE

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

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

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

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

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

Line No.	Name of creditor (a)	Character of liability or of transaction (b)	Date of issue (c)	Date of maturity (d)	Rate of interest (e)	Balance at close of year (f)			Interest accrued during year (g)			Interest paid during year (h)		
					%	\$			\$			\$		
1		NONE												
2														
3														
4														
5														
6														
7														
8														
9														
TOTAL														

1702. DEBT IN DEFAULT

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

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

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

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

1703. OTHER DEFERRED CHARGES

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

designated "Minor items, each less than \$100,000." In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

Line No.	Description and character of item or subaccount (a)	Amount at close of year (b)		
		\$		
41	MINOR ITEMS		12	432
42				
43				
44				
45				
46				
47				
48				
49				
50				
TOTAL			12	432

1704. OTHER DEFERRED CREDITS

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

designated "Minor items, each less than \$100,000." In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

Line No.	Description and character of item or subaccount (a)	Amount at close of year (b)		
		\$		
61	UNAPPLIED COLLECTIONS - MISCELLANEOUS			503
62				
63				
64				
65				
66				
67				
68				
69				
TOTAL				503

1801. INCOME ACCOUNT FOR THE YEAR

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

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

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

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

Line No.	Item (a)	Amount applicable to the year (b)			Line No.	Item (c)	Amount applicable to the year (d)		
		\$					\$		
1	ORDINARY ITEMS				51	FIXED CHARGES			
2	RAILWAY OPERATING INCOME				52	(542) Rent for leased roads and equipment (p. 27)		317	945
3	(501) Railway operating revenues (p. 23)		2	543 560	53	(546) Interest on funded debt:			
4	(531) Railway operating expenses (p. 24)			915 522	54	(a) Fixed interest not in default			
5	Net revenue from railway operations		1	628 038	55	(b) Interest in default			
6	(532) Railway tax accruals			575 197	56	(547) Interest on unfunded debt			
7	Railway operating income		1	952 841	57	(548) Amortization of discount on funded debt			
8	RENT INCOME				58	Total fixed charges		317	945
9	(503) Hire of freight cars—Credit balance				59	Income after fixed charges (lines 50, 58)		486	940
10	(504) Rent from locomotives				60	OTHER DEDUCTIONS			
11	(506) Rent from passenger-train cars				61	(546) Interest on funded debt:			
12	(506) Rent from floating equipment				62	(c) Contingent interest			
13	(507) Rent from work equipment				63	Ordinary income (lines 59, 62)		486	940
14	(508) Joint facility rent income								
15	Total rent income				64	EXTRAORDINARY AND PRIOR PERIOD ITEMS			
16	RENTS PAYABLE				65	(570) Extraordinary items - Net Cr. (Dr.) (p. 21B)			
17	(536) Hire of freight cars—Debit balance		105,854	48 734	66	(580) Prior period items - Net Cr. (Dr.) (p. 21B)			
18	(537) Rent for locomotives			57 120	67	(590) Federal income taxes on extraordinary and prior period items - Debit (Credit) (p. 21B)			
19	(538) Rent for passenger-train cars				68	Total extraordinary and prior period items - Cr. (Dr.)			
20	(539) Rent for floating equipment				69	Net income transferred to Retained Income			
21	(540) Rent for work equipment					Unappropriated		486	940
22	(541) Joint facility rents			673					
23	Total rents payable			106 527	70	ANALYSIS OF ACCOUNT 532, RAILWAY TAX ACCRUALS			
24	Net rents (lines 15, 23)			106 527	71	United States Government taxes:			
25	Net railway operating income (lines 7, 24)			946 314	72	Income taxes		383	689
26	OTHER INCOME				73	Old age retirement		37	098
27	(502) Revenue from miscellaneous operations (p. 24)				74	Unemployment insurance		9	909
28	(509) Income from lease of road and equipment (p. 27)				75	All other United States taxes		5	548
29	(510) Miscellaneous rent income (p. 25)				76	Total—U.S. Government taxes		436	244
30	(511) Income from nonoperating property (p. 26)				77	Other than U.S. Government taxes:			
31	(512) Separately operated properties—Profit				78	CALIFORNIA—REAL PROPERTY TAX		80	339
32	(513) Dividend income		120	000	79	FRANCHISE TAX		57	138
33	(514) Interest income		64	496	80	GROSS REVENUE TAX			16
34	(516) Income from sinking and other reserve funds				81	VEHICLE TAX		1	338
35	(517) Release of premiums on funded debt				82	OTHER			122
36	(518) Contributions from other companies (p. 27)				83				
37	(519) Miscellaneous income (p. 25)			30	84				
38	Total other income			184 526	85				
39	Total income (lines 25, 38)		1	130 840	86				
40	MISCELLANEOUS DEDUCTIONS FROM INCOME				87				
41	(534) Expenses of miscellaneous operations (p. 24)				88				
42	(535) Taxes on miscellaneous operating property (p. 24)				89				
43	(543) Miscellaneous rents (p. 25)			319 868	90				
44	(544) Miscellaneous tax accruals				91	Total—Other than U.S. Government taxes		138	953
45	(545) Separately operated properties—Loss				92	Grand Total—Railway tax accruals (account 532)		575	197
46	(549) Maintenance of investment organization								
47	(550) Income transferred to other companies (p. 27)								
48	(551) Miscellaneous income charges (p. 25)			6 087					
49	Total miscellaneous deductions			325 955					
50	Income available for fixed charges (lines 39, 49)			804 885					

*Enter name of State.

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

1801. INCOME ACCOUNT FOR THE YEAR -- Continued

ANALYSIS OF FEDERAL INCOME TAXES

Line No.	Item (a)	Amount (b)			Remarks (c)
		\$			
101	Provision for income taxes based on taxable net income recorded in the accounts for the year.....		383	689	
102	Net decrease (or increase) because of use of accelerated depreciation under section 167 of the Internal Revenue Code and guideline lives pursuant to Revenue Procedure 62-21 and different basis used for book depreciation.....				
103	Net increase (or decrease) because of accelerated amortization of facilities under section 168 of the Internal Revenue Code for tax purposes and different basis used for book depreciation.....				
104	Net decrease (or increase) because of investment tax credit authorized in Revenue Act of 1962.....				
105	Net decrease (or increase) because of accelerated amortization of certain rolling stock under section 184 of the Internal Revenue Code and basis use for book depreciation.....				
106	Net decrease (or increase) because of amortization of certain rights-of-way investment under section 185 of the Internal Revenue Code.....				
	Tax consequences, material in amount, of other unusual and significant items excluded from the income recorded in the accounts for the year or where tax consequences are disproportionate to related amounts recorded in income accounts: (Describe)				
107					
108					
109					
110					
111					
112					
113					
114					
115					
116			383	689	
117	Net applicable to the current year.....				
118	Adjustments applicable to previous years (net debit or credit), except carry-backs and carry-overs.....				
119	Adjustments for carry-backs.....				
120	Adjustments for carry-overs.....				
121	TOTAL.....	X X	X X	X X	
	Distribution:				
122	Account 532.....		383	689	
123	Account 590.....				
124	Other (Specify).....				
125					
126	Total.....		383	689	

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

INCOME ACCOUNT FOR THE YEAR—EXPLANATORY NOTES

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

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

1901. RETAINED INCOME—UNAPPROPRIATED

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

2. All contra entries hereunder should be indicated in parentheses.
3. Indicate under "Remarks" the amount of assigned Federal income tax consequences, accounts 606 and 616.

Line No.	Item (a)	Amount (b)		Remarks (c)
	CREDITS	\$		
1	(602) Credit balance transferred from Income (p. 21)-----		486 940	
2	(606) Other credits to retained income†-----			Net of Federal income taxes \$-----
3	(622) Appropriations released-----		486 940	
4	Total-----			
	DEBITS			
5	(612) Debit balance transferred from Income (p. 21)-----			
6	(616) Other debits to retained income†-----			Net of Federal income taxes \$-----
7	(620) Appropriations for sinking and other reserve funds-----			
8	(621) Appropriations for other purposes-----		46 312	
9	(623) Dividends (p. 23)-----		46 312	
10	Total-----		440 628	
11	Net increase during year*-----		1 613 125	
12	Balance at beginning of year (p. 5)*-----		2 053 805	
13	Balance at end of year (carried to p. 5)*-----			✓

*Amount in parentheses indicates debit balance.

†Show principal items in detail.

1902. DIVIDEND APPROPRIATIONS

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

Line No.	Name of security on which dividend was declared (a)	Rate percent (par value stock) or rate per share (nonpar stock)		Total par value of stock or total number of shares of nonpar stock on which dividend was declared (d)	Dividends (account 623) (e)		DATES	
		Regular (b)	Extra (c)				Declared (f)	Payable (g)
31	Common Stock	9 1/2%		\$ 5000	\$	46 3/2	3/27/70	4/10/70
32								
33								
34								
35								
36								
37								
38								
39								
40								
41								
42								
43								
	TOTAL					46 3/2		

2001. RAILWAY OPERATING REVENUES

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

Line No.	Class of railway operating revenues (a)	Amount of revenue for the year (b)			Class of railway operating revenues (c)	Amount of revenue for the year (d)		
		\$	x x	x x		\$	x x	x x
	TRANSPORTATION—RAIL LINE				INCIDENTAL			
1	(101) Freight*		2	522	(131) Dining and buffet			
2	(102) Passenger*			795	(132) Hotel and restaurant			
3	(103) Baggage				(133) Station, train, and boat privileges			
4	(104) Sleeping car				(135) Storage—Freight			
5	(105) Parlor and chair car				(137) Demurrage		7	958
6	(106) Mail				(138) Communication			
7	(107) Express				(139) Grain elevator			
8	(108) Other passenger-train				(141) Power			
9	(109) Milk				(142) Rents of buildings and other property		11	296
10	(110) Switching*			1	(143) Miscellaneous			
11	(113) Water transfers			571	Total incidental operating revenue		19	254
12	Total rail-line transportation revenue		2	524	JOINT FACILITY			
13				306	(151) Joint facility—Cr			
14					(152) Joint facility—Dr			
15					Total joint facility operating revenue		2	543
16					Total railway operating revenues		2	543

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

- For terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates. \$ — 0 —
- For switching services when performed in connection with line-haul transportation of freight on the basis of switching tariffs and allowances out of freight rates, including the switching of empty cars in connection with a revenue movement. \$ 9,493
- For substitute highway motor service in lieu of line-haul rail service performed under joint tariffs published by rail carriers (does not include traffic moved on joint rail-motor rates):
 - Payments for transportation of persons. \$ — 0 —
 - Payments for transportation of freight shipments. \$ 40,406

2002. RAILWAY OPERATING EXPENSES

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

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

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)			Name of railway operating expense account (c)	Amount of operating expenses for the year (d)		
		\$	x x	x x		\$	x x	x x
	MAINTENANCE OF WAY AND STRUCTURES				TRANSPORTATION—RAIL LINE			
1	(2201) Superintendence		12	064	(2241) Superintendence and dispatching		12	120
2	(2202) Roadway maintenance		99	103	(2242) Station service		98	129
3	(2203) Maintaining structures		3	666	(2243) Yard employees		225	932
4	(2203½) Retirements—Road			629	(2244) Yard switching fuel		28	933
5	(2204) Dismantling retired road property			—	(2245) Miscellaneous yard expenses		27	806
6	(2208) Road property—Depreciation		9	453	(2246) Operating joint yards and terminals—Dr			
7	(2209) Other maintenance of way expenses		21	087	(2247) Operating joint yards and terminals—Cr			
8	(2210) Maintaining joint tracks, yards, and other facilities—Dr			908	(2248) Train employees			
9	(2211) Maintaining joint tracks, yards, and other facilities—Cr				(2249) Train fuel			
10	Total maintenance of way and structures		146	910	(2251) Other train expenses		1	095
11	MAINTENANCE OF EQUIPMENT				(2252) Injuries to persons			
12	(2221) Superintendence		12	068	(2253) Loss and damage		1	323
13	(2222) Repairs to shop and power-plant machinery				(2254) Other casualty expenses		49	443
14	(2223) Shop and power-plant machinery—Depreciation			29	(2255) Other rail transportation expenses		26	369
15	(2224) Dismantling retired shop and power-plant machinery				(2256) Operating joint tracks and facilities—Dr			
16	(2225) Locomotive repairs		42	252	(2257) Operating joint tracks and facilities—Cr			
17	(2226) Car repairs		2	889	Total transportation—Rail line		436	208
18	(2227) Other equipment repairs		9	301	MISCELLANEOUS OPERATIONS			
19	(2228) Dismantling retired equipment				(2258) Miscellaneous operations			
20	(2229) Retirements—Equipment				(2259) Operating joint miscellaneous facilities—Dr			
21	(2234) Equipment—Depreciation		7	961	(2260) Operating joint miscellaneous facilities—Cr			
22	(2235) Other equipment expenses		13	638	GENERAL			
23	(2236) Joint maintenance of equipment expenses—Dr				(2261) Administration		143	422
24	(2237) Joint maintenance of equipment expenses—Cr				(2262) Insurance		12	361
25	Total maintenance of equipment		82	138	(2264) Other general expenses		45	831
26	TRAFFIC				(2265) General joint facilities—Dr			
27	(2240) Traffic expenses		48	652	(2266) General joint facilities—Cr			
28					Total general expenses		201	614
29					GRAND TOTAL RAILWAY OPERATING EXPENSES		915	522

30 Operating ratio (ratio of operating expenses to operating revenues), 35.99 percent. (Two decimal places required.)

2003. MISCELLANEOUS PHYSICAL PROPERTIES OPERATED DURING THE YEAR

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

In column (a) give the designation used in the respondent's records and the name of the town or city and State in which the property or plant is located, stating whether the respondent's title is that of ownership or whether the property is held under lease or other

incomplete title. All peculiarities of title should be explained in a footnote.

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

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

2101. MISCELLANEOUS RENT INCOME

Line No.	DESCRIPTION OF PROPERTY		Name of lessee (c)	Amount of rent (d)		
	Name (a)	Location (b)		\$		
1		NONE				
2						
3						
4						
5						
6						
7						
8						
9						
TOTAL						

2102. MISCELLANEOUS INCOME

Line No.	Source and character of receipt (a)	Gross receipts (b)		Expenses and other deductions (c)		Net miscellaneous income (d)	
		\$		\$		\$	
21	POWELL INSURANCE CO. - REFUND		30				30
22							
23							
24							
25							
26							
27							
28							
29	TOTAL		30				30

2103. MISCELLANEOUS RENTS

Line No.	DESCRIPTION OF PROPERTY		Name of lessor (c)	Amount charged to income (d)		
	Name (a)	Location (b)		\$		
31	MATERIAL YARD	MODESTO, CALIF.	BEARD LAND IMPROVEMENT Co.			600
32	MATERIAL YARD	MODESTO, CALIF.	DIAMOND WALNUT GROWERS			1323
33	LAND	MODESTO, CALIF.	BEARD LAND IMPROVEMENT Co.			317 945
34						
35						
36						
37						
38						
39	TOTAL					319 868

2104. MISCELLANEOUS INCOME CHARGES

Line No.	Description and purpose of deduction from gross income (a)	Amount (b)		
		\$		
41	ANNUAL CITY OF MODESTO FRANCHISE FEE - "B" ST.			670
42	INTEREST CHARGES			819
43	AMORTIZATION OF CITY OF MODESTO FRANCHISE FEE - JOINT TRACKS			47
44	AWARD UNDER PUBLIC LAW BOARD FOR DISABLED EMPLOYEE			5151
45				
46				
47				
48				
49				
50	TOTAL			6 087

2201. INCOME FROM NONOPERATING PROPERTY

Line No.	Designation (a)	Revenues or income (b)			Expenses (c)			Net income or loss (d)			Taxes (e)	
		\$			\$			\$			\$	
1	NONE											
2												
3												
4												
5												
6												
7												
TOTAL												

2202. MILEAGE OPERATED (ALL TRACKS)†

Give particulars called for concerning all tracks operated by respondent at the close of the year. Way switching tracks include station, team, industry, and other switching tracks for which no separate switching service is maintained. Yard switching tracks include classification, house, team, industry, and other tracks switched by yard locomotives in yards where separate switching services are maintained. Tracks belonging to an industry for which no rent is payable should not be reported. Switching and Terminal Companies report on line 26 only.

2203. MILEAGE OPERATED—BY STATES

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

Line No.	Line in use (a)	Owned (b)		Proprietary companies (c)		Leased (d)		Operated under contract (e)		Operated under track-age rights (f)		Total operated (g)		State (h)	Owned (i)		Proprietary companies (j)		Leased (k)		Operated under contract (l)		Operated under track-age rights (m)		Total operated (n)	
21	Single or first main track																									
22	Second and additional main tracks													CALIFORNIA												
23	Passing tracks, cross-overs, and turn-outs																									
24	Way switching tracks																									
25	Yard switching tracks																									
26	TOTAL	1	04	1		26	75	7				99	28	78	9											
TOTAL		1	04	1		26	75	7				99	28	78	9											

2215. Show, by States, mileage of tracks owned but not operated by respondent: First main track, NONE; second and additional main tracks, NONE; industrial tracks, NONE; yard track and sidings, NONE; total, all tracks, NONE.†

2216. Road is completed from (Line Haul Railways only)* _____ to _____ Total distance, _____ miles

2217. Road located at (Switching and Terminal Companies only)* MODESTO, CALIFORNIA

2218. Gage of track 4 ft. 8 1/2 in. 2219. Weight of rail 60-159 lb. per yard.

2220. Kind and number per mile of crossties REDWOOD AND FIR APPROXIMATELY 3.150 PER MILE

2221. State number of miles electrified: First main track, NONE; second and additional main tracks, NONE; passing tracks, cross-overs, and turn-outs, NONE; way switching tracks, NONE; yard switching tracks, NONE

2222. Ties applied in replacement during year: Number of crossties, 7472; average cost per tie, \$ 4.75; number of feet (B. M.) of switch and bridge ties, 26,116; average cost per M feet (B. M.), \$ 12.91

2223. Rail applied in replacement during year: Tons (2,000 pounds), 194.41; weight per yard, 60 to 110; average cost per ton, \$ 117.54

*Insert names of places.

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

EXPLANATORY REMARKS

2301. RENTS RECEIVABLE
INCOME FROM LEASE OF ROAD AND EQUIPMENT

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

2302. RENTS PAYABLE
RENT FOR LEASED ROADS AND EQUIPMENT

Line No.	Road leased (a)	Location (b)	Name of lessor (c)	Amount of rent during year (d)		
11	MODESTO INTERURBAN RY	MODESTO, CALIF.	MODESTO INTERURBAN RY	\$	317	945
12						
13						
14						
15						
TOTAL					317	945

2303. CONTRIBUTIONS FROM OTHER COMPANIES

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

2304. INCOME TRANSFERRED TO OTHER COMPANIES

Line No.	Name of transferee (c)	Amount during year (d)		
21	NONE	\$		
22				
23				
24				
25				
26	TOTAL			

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

NONE

2401. EMPLOYEES, SERVICE, AND COMPENSATION

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

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

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

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

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

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

Line No.	Classes of employees (a)	Average number of employees (b)	Total service hours (c)	Total compensation (d)	Remarks (e)
1	TOTAL (executives, officials, and staff assistants)	8	16 576	120 254	
2	TOTAL (professional, clerical, and general)	15	31 656	118 841	
3	TOTAL (maintenance of way and structures)	9	17 971	58 190	
4	TOTAL (maintenance of equipment and stores)	2	4 552	19 169	
5	TOTAL (transportation—other than train, engine, and yard)				
6	TOTAL (transportation—yardmasters, switch tenders, and hostlers)	1	2 515	11 346	
7	TOTAL, ALL GROUPS (except train and engine)	35	73 270	327 800	
8	TOTAL (transportation—train and engine)	20	42 339	192 837	
9	GRAND TOTAL	55	115 609	520 637	

Amount of foregoing compensation (excluding back pay for prior years) that is chargeable to account No. 531, "Railway operating expenses": \$ 510,777

2402. CONSUMPTION OF FUEL BY MOTIVE-POWER UNITS

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

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

Line No.	Kind of service (a)	A. LOCOMOTIVES (STEAM, ELECTRIC, AND OTHER)					B. RAIL MOTOR CARS (GASOLINE, OIL-ELECTRIC, ETC.)		
		Diesel oil (gallons) (b)	Gasoline (gallons) (c)	Electricity (kilowatt-hours) (d)	STEAM		Electricity (kilowatt-hours) (g)	Gasoline (gallons) (h)	Diesel oil (gallons) (i)
					Coal (tons) (e)	Fuel oil (gallons) (f)			
31	Freight.....								
32	Passenger.....								
33	Yard switching.....	60,213							
34	TOTAL TRANSPORTATION.....	60,213	NONE	NONE	NONE	NONE	NONE	NONE	NONE
35	Work train.....	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
36	GRAND TOTAL.....	60,213							
37	TOTAL COST OF FUEL*.....	8,933		XXXX			XXXX		

*Show cost of fuel charged to yard and train service (accounts Nos. 2244 and 2249). The cost stated for the various kinds of fuel should be the total charges in the accounts specified, including freight charges and handling expenses. The cost stated for electric current should be the total charges in the accounts enumerated. Fuel and power consumed by mixed and special trains that are predominantly freight should be included in freight service, but where the service of mixed or special trains is predominantly passenger, the fuel and power used should be included in passenger service.

2501. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

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

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

Line No.	Name of person (a)	Title (b)	Salary per annum as of close of year (see instructions) (c)		Other compensation during the year (d)	
			\$		\$	
1	JOHN B. BEARD	CHAIRMAN OF THE BOARD		16 560		750
2	RICHARD F. OLSEN	PRESIDENT		24 200		835
3	ROBERT B. BEARD	VICE-PRES., SECY & TREASURER		22 400		825
4						
5						
6						
7						
8		CHANGES				
9	1. JOHN B. BEARD			UNCHANGED		
10	2. RICHARD F. OLSEN	INCREASED 12/1/70 FROM 21,000 TO 24,200				
11	3. ROBERT B. BEARD	INCREASED 12/1/70 FROM 19,200 TO 22,400				
12						
13						
14						
15						

2502. PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

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

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

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

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

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

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

Line No.	Name of recipient (a)	Nature of service (b)	Amount of payment (c)	
			\$	
31	PACIFIC SOUTHWEST FREIGHT BUREAU	TARIFF INFORMATION		1 242
32	UNIFORM CLASSIFICATION COMMITTEE	TARIFF INFORMATION		85
33	PACIFIC CAR DEMURRAGE BUREAU	DEMURRAGE AND CLEARING		1 862
34	WESTERN RAILROAD ASSOCIATION	WEIGHING, INSPECTION, TRANSIT & TARIFF INFORMATION		2 763
35	AMERICAN SHORT LINE R.R. ASSOC.	TARIFF AND STATUTORY SERVICE		2 298
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
TOTAL				8 490

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

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

Item No.	Item (a)	Freight trains (b)			Passenger trains (c)			Total transportation service (d)			Work trains (e)		
1	Average mileage of road operated (whole number required) TRAIN-MILES			5			NONE			5	x x	x x	x x
2	Total (with locomotives)			9 011						9 011			
3	Total (with motorcars)			NONE									
4	TOTAL TRAIN-MILES LOCOMOTIVE UNIT-MILES			9 011						9 011			NONE
5	Road service			12 829						12 829	x x	x x	x x
6	Train switching										x x	x x	x x
7	Yard switching			48 174						48 174	x x	x x	x x
8	TOTAL LOCOMOTIVE UNIT-MILES CAR-MILES			61 003						61 003	x x	x x	x x
9	Loaded freight cars			85 535						85 535	x x	x x	x x
10	Empty freight cars			78 404						78 404	x x	x x	x x
11	Caboose			NONE						NONE	x x	x x	x x
12	TOTAL FREIGHT CAR-MILES			163 939						163 939	x x	x x	x x
13	Passenger coaches										x x	x x	x x
14	Combination passenger cars (mail, express, or baggage, etc., with passenger)										x x	x x	x x
15	Sleeping and parlor cars			NONE						NONE	x x	x x	x x
16	Dining, grill and tavern cars										x x	x x	x x
17	Head-end cars										x x	x x	x x
18	TOTAL (lines 13, 14, 15, 16 and 17)										x x	x x	x x
19	Business cars										x x	x x	x x
20	Crew cars (other than cabooses)										x x	x x	x x
21	GRAND TOTAL CAR-MILES (lines 12, 18, 19 and 20) REVENUE AND NONREVENUE FREIGHT TRAFFIC			163 939						163 939	x x	x x	x x
22	Tons—Revenue freight	x x	x x	x x	x x	x x	x x	x x	x x	1 053 435	x x	x x	x x
23	Tons—Nonrevenue freight	x x	x x	x x	x x	x x	x x	x x	x x	NONE	x x	x x	x x
24	TOTAL TONS—REVENUE AND NONREVENUE FREIGHT	x x	x x	x x	x x	x x	x x	x x	x x	1 053 435	x x	x x	x x
25	Ton-miles—Revenue freight	x x	x x	x x	x x	x x	x x	x x	x x	5 267 175	x x	x x	x x
26	Ton-miles—Nonrevenue freight	x x	x x	x x	x x	x x	x x	x x	x x	NONE	x x	x x	x x
27	TOTAL TON-MILES—REVENUE AND NONREVENUE FREIGHT REVENUE PASSENGER TRAFFIC	x x	x x	x x	x x	x x	x x	x x	x x	5 267 175	x x	x x	x x
28	Passengers carried—Revenue	x x	x x	x x	x x	x x	x x	x x	x x	NONE	x x	x x	x x
29	Passenger-miles—Revenue	x x	x x	x x	x x	x x	x x	x x	x x	NONE	x x	x x	x x

NOTES AND REMARKS

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

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

2. Under Order of December 15, 1964, traffic involving less than three shippers reportable in any one commodity class may be excluded from this schedule, but must be submitted unbound in a separate schedule supplemental to this one and marked *Supplemental*. Extra copies of Schedule 2602 may be obtained upon request to the Interstate Commerce Commission, Bureau of Accounts, Washington, D.C., 20423. If a supplemental schedule is filed, check the space provided at the bottom of this schedule. Supplemental reports will be withheld from public inspection.

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

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

Item No.	COMMODITY		REVENUE FREIGHT IN TONS (2,000 POUNDS)			Gross freight revenue (dollars) (e)
	Description (a)	Code No.	Originating on respondent's road (b)	Received from connecting carriers (c)	Total carried (d)	
1	Farm Products	01				
2	Forest Products	08				
3	Fresh Fish and Other Marine Products	09				
4	Metallic Ores	10				
5	Coal	11				
6	Crude Petro, Nat Gas, & Nat Gsln	13				
7	Nonmetallic Minerals, except Fuels	14				
8	Ordinance and Accessories	19				
9	Food and Kindred Products	20				
10	Tobacco Products	21				
11	Basic Textiles	22				
12	Apparel & Other Finished Tex Prd Inc Knit	23				
13	Lumber & Wood Products, except Furniture	24				
14	Furniture and Fixtures	25				
15	Pulp, Paper and Allied Products	26				
16	Printed Matter	27				
17	Chemicals and Allied Products	28				
18	Petroleum and Coal Products	29				
19	Rubber & Miscellaneous Plastic Products	30				
20	Leather and Leather Products	31				
21	Stone, Clay and Glass Products	32				
22	Primary Metal Products	33				
23	Fabr Metal Prd, Exc Ordn Machy & Transp	34				
24	Machinery, except Electrical	35				
25	Electrical Machy, Equipment & Supplies	36				
26	Transportation Equipment	37				
27	Instr, Phot & Opt GD, Watches & Clocks	38				
28	Miscellaneous Products of Manufacturing	39				
29	Waste and Scrap Materials	40				
30	Miscellaneous Freight Shipments	41				
31	Containers, Shipping, Returned Empty	42				
32	Freight Forwarder Traffic	44				
33	Shipper Assn or Similar Traffic	45				
34	Misc Shipments except Forwarder (44) or shipper Assn (45)	46				
35	GRAND TOTAL, CARLOAD TRAFFIC					
36	Small Packaged Freight Shipments	47				
37	Grand Total, Carload & LCL Traffic					

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

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

☐ Supplemental Report NOT OPEN TO PUBLIC INSPECTION.

ABBREVIATIONS USED IN COMMODITY DESCRIPTIONS

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

2701. SWITCHING AND TERMINAL TRAFFIC AND CAR STATISTICS

(FOR SWITCHING OR TERMINAL COMPANIES ONLY)

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

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

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

Item No.	Item (a)	Switching operations (b)		Terminal operations (c)		Total (d)	
FREIGHT TRAFFIC							
1	Number of cars handled earning revenue—Loaded		421		23 727		24 148
2	Number of cars handled earning revenue—Empty		421		19 633		20 054
3	Number of cars handled at cost for tenant companies—Loaded						
4	Number of cars handled at cost for tenant companies—Empty						
5	Number of cars handled not earning revenue—Loaded						
6	Number of cars handled not earning revenue—Empty						
7	Total number of cars handled		842		43 360		44 202
PASSENGER TRAFFIC							
8	Number of cars handled earning revenue—Loaded						
9	Number of cars handled earning revenue—Empty						
10	Number of cars handled at cost for tenant companies—Loaded						
11	Number of cars handled at cost for tenant companies—Empty						
12	Number of cars handled not earning revenue—Loaded						
13	Number of cars handled not earning revenue—Empty						
14	Total number of cars handled		NONE		NONE		NONE
15	Total number of cars handled in revenue service (items 7 and 14)		842		43 360		44 202
16	Total number of cars handled in work service		NONE		NONE		NONE

Number of locomotive-miles in yard-switching service: Freight, 48,174; passenger, NONE

2801. INVENTORY OF EQUIPMENT INSTRUCTIONS

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

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

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

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

5. A "Diesel" unit includes all units propelled by diesel internal combustion engines irrespective of final drive, and whether power may at times be supplied from an external conductor. An "Electric" unit includes all units which receive electric power from an overhead con-

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

6. Column (h) should show aggregate capacity for all units reported in column (g), as follows: For locomotive units, report the rated continuous horsepower for traction. (One horsepower is equivalent to a force that will raise 33,000 pounds one foot in one minute.), or tractive effort of steam locomotive units; for freight-train cars report the nominal capacity (in tons of 2,000 lbs.) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. (Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to carry customarily.); for passenger-train cars report the number of passenger seats available for revenue service, counting one passenger to each berth in sleeping cars.

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

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

Line No.	Item	Units in service of respondent at beginning of year	Number added during year	Number retired during year	NUMBER AT CLOSE OF YEAR			Aggregate capacity of units reported in col. (g) (See ins. 6)	Number leased to others at close of year
					Owned and used	Leased from others	Total in service of respondent (e+f)		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
LOCOMOTIVE UNITS									
1.	Diesel-----	4	1	0	0	5	5	3,000 ^(A. P.)	NONE
2.	Electric-----	NONE							
3.	Other-----	NONE							
4.	Total (lines 1 to 3)-----	4	1	0	0	5	5	XXXX	NONE
FREIGHT-TRAIN CARS									
								(tons)	
5.	Box-General service (A-20, A-30, A-40, A-50, all B (except B080) L070, R-00, R-01, R-06, R-07)-----								
6.	Box-Special service (A-00, A-10, B080)-----								
7.	Gondola (All G, J-00, all C, all E)-----								
8.	Hopper-Open top (All H, J-10, all K)-----								
9.	Hopper-Covered (L-3-)-----								
10.	Tank (All T)-----								
11.	Refrigerator-Mechanical (R-04, R-10, R-11, R-12)-----			NONE					
12.	Refrigerator-Non-Mechanical (R-02, R-03, R-05, R-08, R-09, R-13, R-14, R-15, R-16, R-17)-----								
13.	Stock (All S)-----								
14.	Automotive (F-3-, F-6-)-----								
15.	Flat (All F (except F-5-, F-6-, F-7-, F-8-), L-2, L-3-)-----								
16.	Flat-TOFC (F-7-, F-8-)-----								
17.	All other (L-0-, L-1-, L-4-, L080, L090)-----								
18.	Total (lines 5 to 17)-----							XXXX	
19.	Caboose (All N)-----							XXXX	
20.	Total (lines 18 and 19)-----							XXXX	
PASSENGER-TRAIN CARS									
NON-SELF-PROPELLED									
21.	Coaches and combined cars (PA, PB, PBO, all class C, except CSB)-----								
22.	Parlor, sleeping, dining cars (PBC, PC, PL, PO, PS, PT, PAS, PDS, all class D, PD)-----			NONE					
23.	Non-passenger carrying cars (All class B, CSB, PSA, IA, all class M)-----							XXXX	
24.	Total (lines 21 to 23)-----								

2801. INVENTORY OF EQUIPMENT—Concluded

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

Line No.	Item	Units in service of respondent at beginning of year	Number added during year	Number retired during year	NUMBER AT CLOSE OF YEAR			Aggregate capacity of units reported in col. (g) (See ins. 6)	Number leased to others at close of year
					Owned and used	Leased from others	Total in service of respondent (e+f)		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
	PASSENGER-TRAIN CARS — Continued							(Seating capacity)	
	SELF-PROPELLED RAIL MOTORCARS								
25.	Electric passenger cars (EC, EP, ET)-----								
26.	Internal combustion rail motorcars (ED, EG)-----			NONE					
27.	Other self-propelled cars (Specify types)-----								
28.	Total (lines 25 to 27)-----								
29.	Total (lines 24 and 28)-----								
	COMPANY SERVICE CARS								
30.	Business cars (PV)-----							XXXX	
31.	Boarding outfit cars (MWX)-----							XXXX	
32.	Derrick and snow removal cars (MWX, MWU, MWV, MWW)-----							XXXX	
33.	Dump and ballast cars (MWB, MWD)-----							XXXX	
34.	Other maintenance and service equipment cars-----	1	0	0	1	0	1	XXXX	0
35.	Total (lines 30 to 34)-----	1	0	0	1	0	1	XXXX	0
36.	Grand total (lines 20, 29, and 35)-----	1	0	0	1	0	1	XXXX	0
	FLOATING EQUIPMENT								
37.	Self-propelled vessels (Tugboats, car ferries, etc.)-----							XXXX	
38.	Non-self-propelled vessels (Car floats, lighters, etc.)-----			NONE				XXXX	
39.	Total (lines 37 and 38)-----							XXXX	

2900. IMPORTANT CHANGES DURING THE YEAR

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

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

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

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

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

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

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

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

8. All other important financial changes.

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

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

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

1. NO CHANGE

8. NO CHANGE

2. NO CHANGE

9. NO CHANGE

3. NO CHANGE

10. NO CHANGE

4. NO CHANGE

11. NO CHANGE

5. NONE

6. NO CHANGE

7. NO CHANGE

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

Miles of road constructed

Miles of road abandoned

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

VERIFICATION

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

OATH

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

State of CALIFORNIA

County of STANISLAUS

ss:

ROBERT B. BEARD

(Insert here the name of the affiant)

makes oath and says that he is

TREASURER

(Insert here the official title of the affiant)

of MODESTO AND EMPIRE TRACTION COMPANY

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

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

time from and including JANUARY 1, 1970, to and including DECEMBER 31, 1970

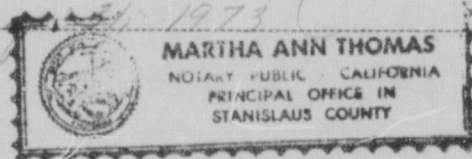
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public, in and for the State and

county above named, this 26th day of March, 1971

My commission expires May 31, 1973

Use an
L. S.
Impression seal



(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of CALIFORNIA

County of STANISLAUS

ss:

RICHARD F. OLSEN

(Insert here the name of the affiant)

makes oath and says that he is

PRESIDENT

(Insert here the official title of the affiant)

of MODESTO AND EMPIRE TRACTION COMPANY

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

that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent and the operation of its property during the period of time from and including JANUARY 1, 1970, to and including DECEMBER 31, 1970

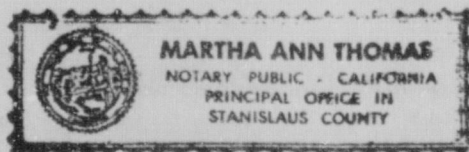
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public, in and for the State and

county above named, this 26th day of March, 1971

My commission expires May 31, 1973

Use an
L. S.
Impression seal



(Signature of officer authorized to administer oaths)

701. ROAD AND EQUIPMENT PROPERTY

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

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

3. Report on line 34 amounts not includable in the primary road accounts. The items reported should be briefly identified and ex-

plained in a footnote. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

Line No.	Account (a)	Balance at Beginning of Year		Total Expenditures During the Year		Balance at Close of Year	
		Entire line ALL IN CALIFORNIA (b)	State CALIFORNIA (c)	Entire line ALL IN CALIFORNIA (d)	State CALIFORNIA (e)	Entire line ALL IN CALIFORNIA (f)	State CALIFORNIA (g)
1 (1)	Engineering-----	3 729	3 729			3 729	3 729
2 (2)	Land for transportation purposes-----	4 100	4 100			4 100	4 100
3 (2½)	Other right-of-way expenditures-----						
4 (3)	Grading-----	11 813	11 813			11 813	11 813
5 (3)	Tunnels and subways-----						
6 (6)	Bridges, trestles, and culverts-----	1 860	1 860			1 860	1 860
7 (7)	Elevated structures-----						
8 (8)	Ties-----	11 838	11 838			11 838	11 838
9 (9)	Rails-----	16 073	16 073			16 073	16 073
10 (10)	Other track material-----	36 372	36 372			36 372	36 372
11 (11)	Ballast-----	6 614	6 614			6 614	6 614
12 (12)	Track laying and surfacing-----	48 280	48 280			48 280	48 280
13 (13)	Fences, snowsheds, and signs-----			1 218	1 218	1 218	1 218
14 (16)	Station and office buildings-----	64 773	64 773	7 092	7 092	71 865	71 865
15 (17)	Roadway buildings-----						
16 (18)	Water stations-----						
17 (19)	Fuel stations-----						
18 (20)	Shops and enginehouses-----						
19 (21)	Grain elevators-----						
20 (22)	Storage warehouses-----						
21 (23)	Wharves and docks-----						
22 (24)	Coal and ore wharves-----						
23 (26)	Communication systems-----	9 913	9 913	4 573	4 573	14 486	14 486
24 (27)	Signals and interlockers-----	10 526	10 526			10 526	10 526
25 (29)	Powerplants-----						
26 (31)	Power-transmission systems-----						
27 (35)	Miscellaneous structures-----						
28 (37)	Roadway machines-----	16 150	16 150			16 150	16 150
29 (38)	Roadway small tools-----						
30 (39)	Public improvements—Construction-----	17 773	17 773			17 773	17 773
31 (43)	Other expenditures—Road-----						
32 (44)	Shop machinery-----	1 799	1 799			1 799	1 799
33 (45)	Powerplant machinery-----						
34 (51)	Other (specify & explain)-----						
35	Total expenditures for road-----	261 613	261 613	12 883	12 883	274 496	274 496
36 (51)	Steam locomotives-----						
37 (52)	Other locomotives-----	2 646	2 646	2 669	2 669	5 315	5 315
38 (53)	Freight-train cars-----						
39 (54)	Passenger-train cars-----						
40 (56)	Floating equipment-----						
41 (57)	Work equipment-----						
42 (58)	Miscellaneous equipment-----	41 098	41 098	1 759	1 759	42 857	42 857
43	Total expenditures for equipment-----	43 744	43 744	4 428	4 428	48 172	48 172
44 (71)	Organization expenses-----						
45 (76)	Interest during construction-----						
46 (77)	Other expenditures—General-----						
47	Total general expenditures-----						
48	Total-----	305 357	305 357	17 311	17 311	322 668	322 668
49 (80)	Other elements of investment-----						
50 (90)	Construction work in progress-----	4 081	4 081	4 081	4 081	— 0 —	— 0 —
51	Grand Total-----	309 438	309 438	13 230	13 230	322 668	322 668

2002. RAILWAY OPERATING EXPENSES

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

Line No.	Name of railway operating expense account	AMOUNT OF OPERATING EXPENSES FOR THE YEAR						Name of railway operating expense account	AMOUNT OF OPERATING EXPENSES FOR THE YEAR					
		ALL IN CALIF.			ALL IN CALIF.				ALL IN CALIF.			ALL IN CALIF.		
		Entire line			State				Entire line			State		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	
		\$			\$									
1	MAINTENANCE OF WAY AND STRUCTURES	x x	x x	x x	x x	x x	x x	(2247) Operating joint yards and terminals—Cr.						
2	(2201) Superintendence		12	064		12	064	(2248) Train employees						
3	(2202) Roadway maintenance		99	103		99	103	(2249) Train fuel						
4	(2203) Maintaining structures		3	666		3	666	(2251) Other train expenses		1	095		1	095
5	(2203½) Retirements—Road			629			629	(2252) Injuries to persons						
6	(2204) Dismantling retired road property							(2253) Loss and damage		1	323		1	323
7	(2208) Road Property—Depreciation		9	453		9	453	(2254) Other casualty expenses		19	443		19	443
8	(2209) Other maintenance of way expenses		21	087		21	087	(2255) Other rail transportation expenses		26	369		26	369
9	(2210) Maintaining joint tracks, yards, and other facilities—Dr.			908			908	(2256) Operating joint tracks and facilities—Dr.						
10	(2211) Maintaining joint tracks, yards, and other facilities—Cr.							(2257) Operating joint tracks and facilities—Cr.						
11	Total maintenance of way and struc.		146	910		146	910	Total transportation—Rail line		436	208		436	208
12	MAINTENANCE OF EQUIPMENT	x x	x x	x x	x x	x x	x x	MISCELLANEOUS OPERATIONS	x x	x x	x x	x x	x x	x x
13	(2221) Superintendence		12	068		12	068	(2258) Miscellaneous operations						
14	(2222) Repairs to shop and power-plant machinery							(2259) Operating joint miscellaneous facilities—Dr.						
15	(2223) Shop and power-plant machinery—Depreciation			29			29	(2260) Operating joint miscellaneous facilities—Cr.						
16	(2224) Dismantling retired shop and power-plant machinery							Total miscellaneous operating						
17	(2225) Locomotive repairs		42	252		42	252	GENERAL	x x	x x	x x	x x	x x	x x
18	(2226) Car repairs		2	889		2	889	(2261) Administration		143	422		143	422
19	(2227) Other equipment repairs		3	301		3	301	(2262) Insurance		12	361		12	361
20	(2228) Dismantling retired equipment							(2264) Other general expenses		45	831		45	831
21	(2229) Retirements—Equipment							(2265) General joint facilities—Dr.						
22	(2234) Equipment—Depreciation		7	961		7	961	(2266) General joint facilities—Cr.						
23	(2235) Other equipment expenses		13	638		13	638	Total general expenses		201	614		201	614
24	(2236) Joint maintenance of equipment expenses—Dr.							RECAPITULATION	x x	x x	x x	x x	x x	x x
25	(2237) Joint maintenance of equipment expenses—Cr.							Maintenance of way and structures		146	910		146	910
26	Total maintenance of equipment		82	138		82	138	Maintenance of equipment		82	138		82	138
27	TRAFFIC	x x	x x	x x	x x	x x	x x	Traffic expenses		48	652		48	652
28	(2240) Traffic Expenses		48	652		48	652	Transportation—Rail line		436	208		436	208
29	TRANSPORTATION—RAIL LINE	x x	x x	x x	x x	x x	x x	Miscellaneous operations						
30	(2241) Superintendence and dispatching		12	120		12	120	General expenses		201	614		201	614
31	(2242) Station service		83	187		83	187	Grand Total Railway Operating Exp.		915	522		915	522
32	(2243) Yard employees		225	932		225	932							
33	(2244) Yard switching fuel		8	933		8	933							
34	(2245) Miscellaneous yard expenses		27	806		27	806							
35	(2246) Operating joint yard and terminals—Dr.													
36	Operating ratio (ratio of operating expenses to operating revenues), 35.99 percent. (Two decimal places required.)													

2003. MISCELLANEOUS PHYSICAL PROPERTIES OPERATED DURING THE YEAR

Give particulars of each class of miscellaneous physical property or plant operated during the year. Group the properties under the heads of the classes of operations to which they are devoted. In column (a) give the designation used in the respondent's records and the name of the town or city and State in which the property or plant is located, stating whether the respondent's title is that of ownership or whether the property is held under lease or other incomplete title. All peculiarities of title should be explained in a footnote.

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

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

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

Line No.	Item (a)	LINE OPERATED BY RESPONDENT							
		Class 1: Line owned		Class 2: Line of proprietary companies		Class 3: Line operated under lease		Class 4: Line operated under contract	
		Added during year (b)	Total at end of year (c)	Added during year (d)	Total at end of year (e)	Added during year (f)	Total at end of year (g)	Added during year (h)	Total at end of year (i)
1	Miles of road						519		
2	Miles of second main track								
3	Miles of all other main tracks								
4	Miles of passing tracks, crossovers, and turnouts								
5	Miles of way switching tracks								
6	Miles of yard switching tracks		104			103	2156		
7	All tracks	-0-	104			103	2675		

Line No.	Item (j)	LINE OPERATED BY RESPONDENT				LINE OWNED BUT NOT OPERATED BY RESPONDENT	
		Class 5: Line operated under trackage rights		Total line operated		Added during year (o)	Total at end of year (p)
		Added during year (k)	Total at end of year (l)	At beginning of year (m)	At close of year (n)		
1	Miles of road			519	519		
2	Miles of second main track						
3	Miles of all other main tracks						
4	Miles of passing tracks, crossovers, and turnouts						
5	Miles of way switching tracks—Industrial						
6	Miles of way switching tracks—Other						
7	Miles of yard switching tracks—Industrial						
8	Miles of yard switching tracks—Other		99	2256	2359		
9	All tracks		99	2775	2878		

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

2302. RENTS RECEIVABLE
INCOME FROM LEASE OF ROAD AND EQUIPMENT

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

2303. RENTS PAYABLE
RENT FOR LEASED ROADS AND EQUIPMENT

Line No.	Road leased (a)	Location (b)	Name of lessor (c)	Amount of rent during year (d)	
21	MODESTO INTERURBAN RY	MODESTO, CALIF.	MODESTO INTERURBAN RY	\$	317 945
22					
23					
24					
25					
TOTAL					317 945

2304. CONTRIBUTIONS FROM OTHER COMPANIES

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

2305. INCOME TRANSFERRED TO OTHER COMPANIES

Line No.	Name of transferee (c)	Amount during year (d)	
31		\$	
32			
33			
34			
35			
36	TOTAL		

INDEX

	Page No.		Page No.
Affiliated companies—Amounts payable to -----	8	Investments in affiliated companies -----	10-11
Investments in -----	10-11	Miscellaneous physical property -----	4
Amortization of defense projects—Road and equipment owned		Road and equipment property -----	7
and leased from others-----	18	Securities owned or controlled through nonre-	
		porting subsidiaries -----	12
Balance sheet -----	4-5	Other -----	10-11
Capital stock -----	5B	Loans and notes payable -----	20
Surplus -----	19	Locomotive equipment -----	32
Car statistics -----	31		
Changes during the year -----	33	Mileage operated -----	26
Compensation of officers and directors -----	29	Owned but not operated -----	26
Consumption of fuel by motive-power units -----	28	Miscellaneous—Income -----	25
Contributions from other companies -----	27	Charges -----	25
		Physical property -----	4
Debt—Funded, unmatured -----	5B	Physical properties operated during year ---	24
In default -----	20	Rent income -----	25
Depreciation base and rates—Road and equipment owned and used		Rents -----	25
and leased from others-----	13	Motor rail cars owned or leased -----	33
Leased to others -----	14		
Reserve—Miscellaneous physical property ---	19	Net income -----	21
Road and equipment leased from others	17		
To others -----	16	Oath -----	34
Owned and used -----	15	Obligations—Equipment -----	8
Directors -----	2	Officers—Compensation of -----	29
Compensation of -----	29	General of corporation, receiver or trustee -----	2
Dividend appropriations -----	23	Operating expenses—Railway -----	24
		Revenues—Railway -----	23
Elections and voting powers -----	3	Ordinary income -----	21
Employees, Service, and Compensation -----	28	Other deferred credits -----	20
Equipment—Classified -----	32-33	Charges -----	20
Company service -----	33	Investments -----	10-11
Covered by equipment obligations -----	8		
Leased from others—Depreciation base and rates	13	Passenger train cars -----	32-33
Reserve -----	17	Payments for services rendered by other than employees ---	29
To others—Depreciation base and rates ---	14	Property (See Investments)	
Reserve -----	16	Proprietary companies -----	8
Locomotives -----	32	Purposes for which funded debt was issued or assumed ---	5D
Obligations -----	8	Capital stock was authorized -----	5B
Owned and used—Depreciation base and rates ---	13		
Reserve -----	15	Rail motor cars owned or leased -----	33
Or leased not in service of respondent -----	32-33	Rails applied in replacement -----	26
Inventory of -----	32-33	Railway operating expenses -----	24
Expenses—Railway operating -----	24	Revenues -----	23
Of nonoperating property -----	26	Tax accruals -----	21
Extraordinary and prior period items -----	21	Receivers' and trustees' securities -----	5B
		Rent income, miscellaneous -----	25
Floating equipment -----	33	Rents—Miscellaneous -----	25
Freight carried during year—Revenue -----	30A	Payable -----	27
Train cars -----	32	Receivable -----	27
Fuel consumed by motive-power units -----	28	Retained income—Appropriated -----	19
Cost -----	28	Unappropriated -----	22
Funded debt unmatured -----	5B	Revenue freight carried during year -----	30A
		Revenues—Railway operating -----	23
Gage of track -----	26	From nonoperating property -----	26
General officers -----	2	Road and equipment property—Investment in -----	7
		Leased from others—Depreciation base and rates ---	13
Identity of respondent -----	2	Reserve -----	17
Important changes during year -----	33	To others—Depreciation base and rates ---	14
Income account for the year -----	21-21B	Reserve -----	16
Charges, miscellaneous -----	25	Owned—Depreciation base and rates -----	13
From nonoperating property -----	26	Reserve -----	15
Miscellaneous -----	25	Used—Depreciation base and rates -----	13
Rent -----	25	Reserve -----	15
Transferred to other companies -----	27	Operated at close of year -----	26
Inventory of equipment -----	32-33	Owned but not operated -----	26

INDEX--Concluded

	Page No.		Page No.
Securities (See Investment)		Tax accruals--Railway	21
Services rendered by other than employees	29	Ties applied in replacement	26
State Commission schedules	36-38	Tracks operated at close of year	26
Statistics of rail-line operations	30		
Switching and terminal traffic and car	31	Unmatured funded debt	5B
Stock outstanding	5B		
Reports	3	Verification	34
Security holders	3	Voting powers and elections	3
Voting power	3		
Stockholders	3	Weight of rail	26
Surplus, capital	19		
Switching and terminal traffic and car statistics	31		

R-1 1970 / MODESTO & EMPIRE TRACTION COMPANY

3 5100

32
ORIGINAL

INTERSTATE
COMMERCE COMMISSION
RECEIVED

BUDGET BUREAU
No. 60-R099.21

APR 1 1970

RECORDS & SERVICE
MAIL BRANCH

ANNUAL REPORT

OF

Modesto - Empire Traction Company

P.O. Box 3106, Modesto, California 95353

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1969

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. Attention is specially directed to the following provisions of Part I of the Interstate Commerce Act:

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

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

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

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

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

The respondent is further required to send to the Bureau of Accounts, immediately upon preparation, two copies of its latest annual report to stockholders. See schedule 350 A, page 3.

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

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

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

5. All entries should be made in a permanent black ink. Those of a contrary character should be indicated in parentheses. Items of an unusual character should be indicated by appropriate symbol and footnote.

Money items (except averages) throughout the annual report form should be shown in units of dollars adjusted to accord with footings.

6. Each respondent should make its annual report to this Commission in triplicate, retaining one copy in its files for reference in case correspondence with regard to such report becomes necessary. For this reason three copies of the Form are sent to each corporation concerned.

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

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

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

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

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

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

Switching and terminal companies are further classified as:

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

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

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

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

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

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

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

9. All companies using this Form should complete all schedules, with the following exceptions, which should severally be completed by the companies to which they are applicable:

Schedules restricted to Switching and Terminal Companies		Schedules restricted to other than Switching and Terminal Companies	
Schedule.....	2217	Schedule.....	2216
".....	2701	".....	2602

ANNUAL REPORT

OF

Modesto and Empire Traction Company

Modesto, California 95353

FOR THE

YEAR ENDED DECEMBER 31, 1969

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

(Name) Robert B. Beard (Title) Vice-President, Secretary-Treasurer
(Telephone number) 209 524-4631
(Area code) (Telephone number)
(Office address) P.O. Box 3106 530-11th Street Modesto, Calif 95353
(Street and number, City, State, and ZIP code)

300. IDENTITY OF RESPONDENT

1. Give the exact name* by which the respondent was known in law at the close of the year Modesto + Empire Traction Company
2. State whether or not the respondent made an annual report to the Interstate Commerce Commission for the preceding year, or for any part thereof. If so, in what name was such report made? Yes - Modesto + Empire Traction Company
3. If any change was made in the name of the respondent during the year, state all such changes and the dates on which they were made None
4. Give the location (including street and number) of the main business office of the respondent at the close of the year P.O. Box 3106 530 11th Street Modesto, California 95353
5. Give the titles, names, and office addresses of all general officers of the respondent at the close of the year. If there are receivers who are recognized as in the controlling management of the road, give also their names and titles, and the location of their offices.

Line No.	Title of general officer (a)	Name and office address of person holding office at close of year (b)
	Chairman of the Board	John B. Beard 530 11th Street Modesto, Calif
1	President	Richard E. Olsen " " "
2	Vice president	
3	Secretary	Robert B. Beard " " "
4	Treasurer	
5	Comptroller or auditor	
6	Attorney or general counsel	McCutchen, Doyle, Brown + Emerson 601 Calif Street, San Francisco, Calif 94108
7	General manager	
8	General superintendent	
9	General freight agent	
10	General passenger agent	
11	General land agent	
12	Chief engineer	
13		

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

Line No.	Name of director (a)	Office address (b)	Term expires (c)
	J. B. Beard	530 11th Street Modesto, Calif	When successor elected
31	R. E. Olsen	" " "	" " "
32	R. B. Beard	" " "	" " "
33	T. K. Beard	" " "	" " "
34	Franklin Beard	" " "	" " "
35	W. P. Beard	" " "	" " "
36	F. M. Black	" " "	" " "
37	R. F. Hoover	" " "	" " "
38	P. C. Wilbur	" " "	" " "
39	H. B. Beard	" " "	" " "
40	J. G. Starkley	203 Santa Fe Bldg Los Angeles, Calif	" " "

7. Give the date of incorporation of the respondent Oct. 7, 1911
8. State the character of motive power used Diesel-Electric
9. Class of switching and terminal company S-5
10. Under the laws of what Government, State, or Territory was the respondent organized? If more than one, name all. Give reference to each statute and all amendments thereof, effected during the year. If previously effected, show the year(s) of the report(s) setting forth details. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees California - General laws of the State of California
11. State whether or not any corporation or association or group of corporations had, at the close of the year, the right to name the major part of the board of directors, managers, or trustees of the respondent; and if so, give the names of all such corporations and state whether such right was derived through (a) title to capital stock or other securities issued or assumed by the respondent, (b) claims for advances of funds made for the construction of the road and equipment of the respondent, or (c) express agreement or some other source

Beard Land + Investment Company - Title to capital stock.

12. Give hereunder history of the respondent from its inception to date, showing all consolidations, mergers, reorganizations, etc., and if a consolidated or merging corporation give like particulars for all constituent and subconstituent corporations. Describe also the course of construction of the road of the respondent, and its financing The corporation was capitalized for \$20,000 being 200 shares of par value of \$100.00 each. Only 50 shares have been sold for par value of \$5,000.00. There have been no consolidations, mergers or reorganizations.

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

350. STOCKHOLDERS

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

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

Line No.	Name of security holder	Address of security holder	Number of votes to which security holder was entitled	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED			
				STOCKS			Other securities with voting power
				Common	PREFERRED		
	(a)	(b)	(c)	(d)	Second (e)	First (f)	(g)
1	Beard band and	530 11th Street	50	50	None	None	None
2	Investment Co.	Modesto, Calif.					
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							
29							
30							

350A. STOCKHOLDERS REPORTS

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

Check appropriate box:

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

200A. COMPARATIVE GENERAL BALANCE SHEET—ASSETS

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

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

Line No.	Balance at beginning of year (a)			Account or item (b)	Balance at close of year (c)		
CURRENT ASSETS							
1	\$	164	885	(701) Cash	\$	526	398
2		435	459	(702) Temporary cash investments		490	987
3				(703) Special deposits			
4				(704) Loans and notes receivable			
5				(705) Traffic and car-service balances—Debit			
6		124	386	(706) Net balance receivable from agents and conductors		268	002
7		28	959	(707) Miscellaneous accounts receivable		27	659
8				(708) Interest and dividends receivable		8	050
9		178	861	(709) Accrued accounts receivable		262	874
10				(710) Working fund advances			
11		46	051	(711) Prepayments		35	933
12		128	697	(712) Material and supplies		155	348
13		8	558	(713) Other current assets		9	048
14		1	115	Total current assets		1	774
SPECIAL FUNDS							
15				(715) Sinking funds	(b ₁) Total book assets at close of year	(b ₂) Respondent's own issues included in (b ₁)	
16				(716) Capital and other reserve funds			
17				(717) Insurance and other funds			
18				Total special funds			
INVESTMENTS							
19		3	319	(721) Investments in affiliated companies (pp. 10 and 11)		3	519
20				(722) Other investments (pp. 10 and 11)			
21				(723) Reserve for adjustment of investment in securities—Credit			
22		3	319	Total investments (accounts 721, 722 and 723)		3	519
PROPERTIES							
23		321	614	(731) Road and equipment property (p. 7)			
24	x	x	x	Road	\$	261	613
25	x	x	x	Equipment		43	744
26	x	x	x	General expenditures			
27	x	x	x	Other elements of investment			
28	x	x	x	Construction work in progress		4	081
29				(732) Improvements on leased property (p. 7)			
30	x	x	x	Road	\$		
31	x	x	x	Equipment			
32	x	x	x	General expenditures			
33		321	614	Total transportation property (accounts 731 and 732)		309	438
34		(33	893)	(735) Accrued depreciation—Road and Equipment (pp. 15 and 16)		(46	657)
35				(736) Amortization of defense projects—Road and Equipment (p. 18)			
36		(33	893)	Recorded depreciation and amortization (accounts 735 and 736)		(46	657)
37		287	121	Total transportation property less recorded depreciation and amortization (line 33 less line 36)		262	781
38				(737) Miscellaneous physical property			
39				(738) Accrued depreciation—Miscellaneous physical property (p. 19)			
40				Miscellaneous physical property less recorded depreciation (account 737 less 738)			
41		287	121	Total properties less recorded depreciation and amortization (line 37 plus line 40)		262	781
OTHER ASSETS AND DEFERRED CHARGES							
42				(741) Other assets			
43				(742) Unamortized discount on long-term debt			
44		8	926	(743) Other deferred charges (p. 20)		4	148
45		8	926	Total other assets and deferred charges		4	148
46		4	732	TOTAL ASSETS		5	560

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

200L. COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY

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

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

Line No.	Balance at beginning of year (a)	Account or item (b)	Balance at close of year (c)
CURRENT LIABILITIES			
47	\$	(751) Loans and notes payable (p. 20)	\$
48	130 236	(752) Traffic and car-service balances—Credit	410 760
49	24 729	(753) Audited accounts and wages payable	26 098
50	169 807	(754) Miscellaneous accounts payable	130 325
51		(755) Interest matured unpaid	
52		(756) Dividends matured unpaid	
53		(757) Unmatured interest accrued	
54	44 091	(758) Unmatured dividends declared	46 312
55	48 325	(759) Accrued accounts payable	44 761
56	42 506	(760) Federal income taxes accrued	61 889
57	6 363	(761) Other taxes accrued	21 198
58	475 981	(763) Other current liabilities	809 500
59	942 038	Total current liabilities (exclusive of long-term debt due within one year)	1 560 843
LONG-TERM DEBT DUE WITHIN ONE YEAR			
		(b ₁) Total issued (b ₂) Held by or for respondent	
60		(764) Equipment obligations and other debt (pp. 5B and 8)	
LONG-TERM DEBT DUE AFTER ONE YEAR			
		(b ₁) Total issued (b ₂) Held by or for respondent	
61		(765) Funded debt unmatured (p. 5B)	
62		(766) Equipment obligations (p. 8)	
63		(767) Receivers' and Trustees' securities (p. 5B)	
64		(768) Debt in default (p. 20)	
65		(769) Amounts payable to affiliated companies (p. 8)	
66		Total long-term debt due after one year	
RESERVES			
67	162	(771) Pension and welfare reserves	542
68		(772) Insurance reserves	
69		(773) Equalization reserves	
70		(774) Casualty and other reserves	
71	162	Total reserves	542
OTHER LIABILITIES AND DEFERRED CREDITS			
72		(781) Interest in default	
73		(782) Other liabilities	
74		(783) Unamortized premium on long-term debt	
75	896	(784) Other deferred credits (p. 20)	1 668
76		(785) Accrued depreciation—Leased property (p. 17)	
77	896	Total other liabilities and deferred credits	1 668
SHAREHOLDERS' EQUITY			
<i>Capital stock (Par or stated value)</i>			
		(b ₁) Total issued (b ₂) Held by or for company	
78	5 000	(791) Capital stock issued—Total	5 000
79		Common stock (p. 5B)	5 000
80		Preferred stock (p. 5B)	
81		(792) Stock liability for conversion	
82		(793) Discount on capital stock	
83	5 000	Total capital stock	5 000
<i>Capital Surplus</i>			
84		(794) Premiums and assessments on capital stock (p. 19)	
85	2 389 530	(795) Paid-in surplus (p. 19)	2 389 530
86		(796) Other capital surplus (p. 19)	
87	2 389 530	Total capital surplus	2 389 530
<i>Retained Income</i>			
88		(797) Retained income—Appropriated (p. 19)	
89	1 394 417	(798) Retained income—Unappropriated (p. 21A)	1 613 175
90	1 394 417	Total retained income	1 613 175
91	3 788 947	Total shareholders' equity	4 007 105
92	4 732 033	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	5 560 758

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

COMPARATIVE GENERAL BALANCE SHEET—EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word, "None"; and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes explanatory statements explaining (1) the procedure in accounting for pension funds including payments to trustees and recording in the accounts pension costs, indicating whether or not consistent with the prior year, and state the amount, as nearly as practicable, of unfunded past service costs; (2) service interruption insurance policies and indicate the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (3) particulars concerning obligations for stock purchase options granted to officers and employees; and (4) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements.

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

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

(b) Estimated accumulated net reduction in Federal income taxes because of accelerated depreciation of facilities since December 31, 1953, under provisions of section 167 of the Internal Revenue Code and depreciation deductions resulting from the use of the guideline lives, since December 31, 1961, pursuant to Revenue Procedure 62-21 in excess of recorded depreciation \$ None

(c) Estimated accumulated net income tax reduction realized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962 compared with the income taxes that would otherwise have been payable without such investment tax credit... \$ 14,509

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

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

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

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

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

5. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1, 1970 \$ _____

1. Pension Plan for various employees

Paid Wells Fargo Bank as Trustee - Connecticut General life Insurance Policies for 1969 Premiums - 10,745

Consistent with 1968

also paid Connecticut General in 1969 on life Insurance policies for 3 retirees amounting to 347 consistent with 1968.

2. No service interruption insurance carried.

3. No stock Option Plan

4. None

670. FUNDED DEBT UNMATURED

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

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

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

Line No.	Name and character of obligation	Nominal date of issue	Date of maturity	INTEREST PROVISIONS		Total amount nominally and actually issued	Nominally issued and held by or for respondent (Identify pledged securities by symbol "P")	Total amount actually issued	Reacquired and held by or for respondent (Identify pledged securities by symbol "P")	Actually outstanding at close of year	INTEREST DURING YEAR	
				Rate percent per annum	Dates due						Accrued	Actually paid
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1						None	\$	\$	\$	\$	\$	\$
2												
3												
4												
						TOTAL						
5	Funded debt canceled: Nominally issued, \$ <u>None</u> Actually issued, \$ <u>None</u>											
6	Purpose for which issue was authorized† <u>None</u>											

690. CAPITAL STOCK

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

Line No.	Class of stock	Date issue was authorized†	Par value per share	Authorized†	Authenticated	PAR VALUE OF PAR VALUE OR SHARES OF NONPAR STOCK			ACTUALLY OUTSTANDING AT CLOSE OF YEAR		
						Nominally issued and held by or for respondent (Identify pledged securities by symbol "P")	Total amount actually issued	Reacquired and held by or for respondent (Identify pledged securities by symbol "P")	Par value of par-value stock	SHARES WITHOUT PAR VALUE	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	Number (j)	Book value (k)
11	Common	10/7/11	\$ 100	\$ 20,000	\$ 5,000	\$ None	\$ 5,000	\$ None	\$ 5,000	None	\$
12											
13											
14											
15	Par value of par value or book value of nonpar stock canceled: Nominally issued, \$ <u>None</u> Actually issued, \$ <u>None</u>										
16	Amount of receipts outstanding at the close of the year for installments received on subscriptions for stocks <u>None</u>										
17	Purpose for which issue was authorized† <u>Operating</u>										
18	The total number of stockholders at the close of the year was <u>One</u>										

695. RECEIVERS' AND TRUSTEES' SECURITIES

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

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

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

701. ROAD AND EQUIPMENT PROPERTY

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

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

3. Report on line 34 amounts representing capitalization of rentals for leased property based on 6 percent per year where property is not classified

by accounts by non-carrier owners, or where cost of property leased from other carriers is not ascertainable. Identify non-carrier owners, and briefly explain methods of estimating value of property of non-carriers or property of other carriers in a footnote on page 6.

4. Report on line 35 amounts not includable in the accounts shown, or in line 34. The items reported should be briefly identified and explained in a footnote on page 6. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

Line No.	Account (a)	Balance at beginning of year (b)	Gross charges during year (c)	Credits for property retired during year (d)	Balance at close of year (e)
1	(1) Engineering.....	914	2815		3729
2	(2) Land for transportation purposes.....		4100		4100
3	(25) Other right-of-way expenditures.....				
4	(3) Grading.....	1506	10307		11813
5	(5) Tunnels and subways.....				
6	(6) Bridges, trestles, and culverts.....	1860			1860
7	(7) Elevated structures.....				
8	(8) Ties.....	4773	7065		11838
9	(9) Rails.....	6347	9726		16073
10	(10) Other track material.....	8753	27619		36372
11	(11) Ballast.....	3221	3393		6614
12	(12) Track laying and surfacing.....	13198	35092		48290
13	(13) Fences, snowsheds, and signs.....				
14	(16) Station and office buildings.....	63776	997		64773
15	(17) Roadway buildings.....				
16	(18) Water stations.....				
17	(19) Fuel stations.....				
18	(20) Shops and enginehouses.....				
19	(21) Grain elevators.....				
20	(22) Storage warehouses.....				
21	(23) Wharves and docks.....				
22	(24) Coal and ore wharves.....				
23	(26) Communication systems.....	8297	1616		9913
24	(27) Signals and interlockers.....	3339	7187		10526
25	(29) Power plants.....				
26	(31) Power-transmission systems.....				
27	(35) Miscellaneous structures.....				
28	(37) Roadway machines.....	16150			16150
29	(38) Roadway small tools.....				
30	(39) Public improvements—Construction.....	371	17402		17773
31	(43) Other expenditures—Road.....				
32	(44) Shop machinery.....	1799			1799
33	(45) Power-plant machinery.....				
34	Leased property capitalized rentals (explain).....				
35	Other (specify and explain).....				
36	TOTAL EXPENDITURES FOR ROAD.....	134294	127319		261613
37	(51) Steam locomotives.....				
38	(52) Other locomotives.....	2646			2646
39	(53) Freight-train cars.....				
40	(54) Passenger-train cars.....				
41	(56) Floating equipment.....				
42	(57) Work equipment.....				
43	(58) Miscellaneous equipment.....	32101	8997		41098
44	TOTAL EXPENDITURES FOR EQUIPMENT.....	34747	8997		43744
45	(71) Organization expenses.....				
46	(76) Interest during construction.....				
47	(77) Other expenditures—General.....				
48	TOTAL GENERAL EXPENDITURES.....				305357
49	TOTAL.....	169041	136316		
50	(80) Other elements of investment.....				
51	(90) Construction work in progress.....	152573	5148492		4081
52	GRAND TOTAL.....	321614	512176		309438

8

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

901. AMOUNTS PAYABLE TO AFFILIATED COMPANIES

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

902. EQUIPMENT COVERED BY EQUIPMENT OBLIGATIONS

interest, in column (d) show the contract price at which the equipment is acquired, and in column (e) the amount of cash paid upon acceptance of the equipment.

RAILROAD CORPORATION—OPERATING—C.

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 1001 AND 1002

1. Schedules 1001 and 1002 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of other corporations held by respondent at the close of the year specifically as investments, including obligations of the United States, of a State or local government, or of an individual, so held, in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; 721, "Investments in affiliated companies"; 722, "Other investments"; and 717, "Insurance and other funds"; investments made, disposed of, or written down during the year; and dividends and interest credited to income. Securities of affiliated companies are reportable in schedule No. 1001, and securities of nonaffiliated companies in schedule No. 1002. For definition of affiliated companies, see the rules governing account No. 721, "Investments in affiliated companies," in the Uniform System of Accounts for Railroad Companies.

2. These investments should be subdivided to show the par value pledged, unpledged, and held in fund accounts. Under "pledged" include the par value of securities recorded in accounts Nos. 721, "Investments in affiliated companies," and 722, "Other investments," which are deposited with some pledgee or other trustee, or held subject to the lien of a chattel mortgage, or subject to any other restriction or condition which makes them unavailable for general corporate purposes. "Unpledged" should include all securities held by or for the respondent free from any lien or restriction, recorded in the accounts mentioned above. Under "In sinking, insurance, and other funds" include the par value of securities recorded in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; and 717, "Insurance and other funds."

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

(A) Stocks:

- (1) Carriers—active.
- (2) Carriers—inactive.
- (3) Noncarriers—active.
- (4) Noncarriers—inactive.

(B) Bonds (including U. S. Government Bonds):

(C) Other secured obligations:

(D) Unsecured notes:

(E) Investment advances:

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

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

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

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

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

9. Classify the securities according to the classification given above, showing the subclass by means of letters and figures in columns (a) and (b). Indicate by means of an arbitrary mark in column (c) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

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

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

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

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

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

Line No.	Ac-count No.	Class No.	Name of issuing company and description of security held, also lien reference, if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR											
					PAR VALUE OF AMOUNT HELD AT CLOSE OF YEAR											
					Pledged			Unpledged			In sinking, insurance, and other funds			Total par value		
	(a)	(b)	(c)	(d)	(e)			(f)			(g)			(h)		
1	721	A-3	Beard hand Improvement Co.	100	\$			\$			\$			\$	100	000
2																
3																
4																
5																
6																
7																
8																
9																
10																

1002. OTHER INVESTMENTS (See page 9 for Instructions)

Line No.	Ac- count No.	Class No.	Name of issuing company or government and description of security held, also lien reference, if any	INVESTMENTS AT CLOSE OF YEAR											
				PAR VALUE OF AMOUNT HELD AT CLOSE OF YEAR											
				Pledged			Unpledged			In sinking, insurance, and other funds			Total par value		
				(a)	(b)	(c)	(d)	(e)	(f)	(g)					
21			None	\$			\$			\$			\$		
22															
23															
24															
25															
26															
27															
28															
29															
30															
31															

1001. INVESTMENTS IN AFFILIATED COMPANIES—Concluded

INVESTMENTS AT CLOSE OF YEAR			INVESTMENTS MADE DURING YEAR			INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR						DIVIDENDS OR INTEREST DURING YEAR			Line No.							
Total book value			Par value			Book value			Par value			Book value*				Selling price			Rate	Amount credited to income		
(i)			(j)			(k)			(l)			(m)				(n)			(o)	(p)		
\$			\$			\$			\$			\$				\$			%	\$		
3	519	530																		200	000	1
																						2
																						3
																						4
																						5
																						6
																						7
																						8
																						9
																						10

Consent dividend received in 1969- 200,000

1002. OTHER INVESTMENTS—Concluded

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

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

1201. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING CARRIER AND NONCARRIER SUBSIDIARIES

1. Give particulars of investments represented by securities and advances (including securities issued or assumed by respondent), and of other intangible property, indirectly owned or controlled by respondent through any subsidiary which does not report to the Commission under the provisions of Part 1 of the Interstate Commerce Act, without regard to any question of whether the company issuing the securities, or the obligor, is controlled by the subsidiary.

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

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

Line No.	Class No.	Name of issuing company and security or other intangible thing in which investment is made (list on same line in second section and in same order as in first section)	INVESTMENTS AT CLOSE OF YEAR				INVESTMENTS MADE DURING YEAR			
			Total par value		Total book value		Par value		Book value	
			(c)		(d)		(e)		(f)	
	(a)	(b)	\$		\$		\$		\$	
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										

Line No.	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR									Names of subsidiaries in connection with things owned or controlled through them (j)
	Par value			Book value			Selling price			
	(g)			(h)			(i)			
	\$			\$			\$			
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										

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

1. Show in columns (b) and (e), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in columns (c) and (f) show the depreciation base used in computing the depreciation charges for the month of December; in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 29 and 38 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include the cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the com-

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

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

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

4. If the depreciation base for accounts 1, 2½, 3, 5, and 39 includes non-depreciable property, a statement to that effect should be made in a footnote.

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

Line No.	Account (a)	OWNED AND USED				LEASED FROM OTHERS			
		DEPRECIATION BASE		Annual composite rate (percent) (d)		DEPRECIATION BASE		Annual composite rate (percent) (g)	
		At beginning of year (b)	At close of year (c)			At beginning of year (e)	At close of year (f)		
		\$	\$	%		\$	\$	%	
1	ROAD								
2	(1) Engineering	914	3729	.60		15156	21386	.60	
3	(2½) Other right-of-way expenditures								
4	(3) Grading *	1506	11813	--		50942	63184	--	
5	(5) Tunnels and subways								
6	(6) Bridges, trestles, and culverts	1860	1860	1.55		29159	34557	1.55	
7	(7) Elevated structures								
8	(13) Fences, snowsheds, and signs								
9	(16) Station and office buildings	63776	64773	4.71		93135	98573	2.05	
10	(17) Roadway buildings								
11	(18) Water stations								
12	(19) Fuel stations								
13	(20) Shops and enginehouses								
14	(21) Grain elevators								
15	(22) Storage warehouses								
16	(23) Wharves and docks								
17	(24) Coal and ore wharves								
18	(26) Communication systems	8297	9913	10.00					
19	(27) Signals and interlockers	3339	10526	4.00		8659	8844	4.00	
20	(29) Power plants								
21	(31) Power-transmission systems *					17	17		
22	(35) Miscellaneous structures								
23	(37) Roadway machines	16150	16150	6.40					
24	(39) Public improvements—Construction	371	17773	3.65		110	1750	3.65	
25	(44) Shop machinery	1799	1799	1.60					
26	(45) Power-plant machinery								
27	All other road accounts								
28	Amortization (other than defense projects)								
29	Total road	98012	138336	4.92		197178	228311	1.88	
30	EQUIPMENT								
31	(51) Steam locomotives								
32	(52) Other locomotives	2646	2646	10.00					
33	(53) Freight-train cars								
34	(54) Passenger-train cars								
35	(56) Floating equipment								
36	(57) Work equipment								
37	(58) Miscellaneous equipment	32101	41098	20.00					
38	Total equipment	34747	43744	19.39					
39	GRAND TOTAL	132759	182080	xx	xx	197178	228311	xx	xx

* Grading - Considered non-depreciable

* Power-Transmission system - Considered non-depreciable

1303. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT LEASED TO OTHERS

1. This schedule is to be used in cases where the related depreciation reserve is carried in the accounts of the respondent, and the rent therefrom is included in account No. 509.

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

3. In column (d) show the composite rates used in computing the depreciation for the month of December and on lines 28 and 37 of this column show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary accounts composite rates to the depreciation base used in computing the depreciation for December and dividing the total so computed by the depreciation base.

4. If the depreciation base for accounts 1, 2½, 3, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

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

Line No.	Account (a)	DEPRECIATION BASE				Annual composite rate (percent)	
		Beginning of year (b)		Close of year (c)		(d)	
		\$		\$			%
1	ROAD						
2	(1) Engineering.....						
3	(2½) Other right-of-way expenditures.....						
4	(3) Grading.....						
5	(5) Tunnels and subways.....						
6	(6) Bridges, trestles, and culverts.....						
7	(7) Elevated structures.....						
8	(13) Fences, snowsheds, and signs.....						
9	(16) Station and office buildings.....						
10	(17) Roadway buildings.....						
11	(18) Water stations.....						
12	(19) Fuel stations.....						
13	(20) Shops and enginehouses.....						
14	(21) Grain elevators.....						
15	(22) Storage warehouses.....						
16	(23) Wharves and docks.....						
17	(24) Coal and ore wharves.....						
18	(26) Communication systems.....						
19	(27) Signals and interlockers.....						
20	(29) Power plants.....						
21	(31) Power-transmission systems.....						
22	(35) Miscellaneous structures.....						
23	(37) Roadway machines.....						
24	(39) Public improvements—Construction.....						
25	(44) Shop machinery.....						
26	(45) Power-plant machinery.....						
27	All other road accounts.....						
28	Total road.....						
29	EQUIPMENT						
30	(51) Steam locomotives.....						
31	(52) Other locomotives.....						
32	(53) Freight-train cars.....						
33	(54) Passenger-train cars.....						
34	(56) Floating equipment.....						
35	(57) Work equipment.....						
36	(58) Miscellaneous equipment.....						
37	Total equipment.....						
38	GRAND TOTAL.....					xx	xx

1501. DEPRECIATION RESERVE—ROAD AND EQUIPMENT OWNED AND USED

1. Give the particulars called for hereunder with respect to credits and debits to account No. 735, "Accrued depreciation—Road and Equipment," during the year relating to road and equipment owned and used. This schedule should not include any entries for depreciation of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include entries for depreciation of equipment owned but not used when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. (See schedule 1502 for the reserve relating to road and equipment owned but not used by the respondent.) If any

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

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

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

Line No.	Account (a)	Balance at beginning of year (b)		CREDITS TO RESERVE DURING THE YEAR		DEBITS TO RESERVE DURING THE YEAR		Balance at close of year (g)	
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
1	ROAD	\$		\$		\$		\$	
2	(1) Engineering		8		13				21
3	(2½) Other right-of-way expenditures								
4	(3) Grading								
5	(5) Tunnels and subways								
6	(6) Bridges, trestles, and culverts		46		28				74
7	(7) Elevated structures								
8	(13) Fences, snowsheds, and signs								
9	(16) Station and office buildings		7 167		3 030				10 197
10	(17) Roadway buildings								
11	(18) Water stations								
12	(19) Fuel stations								
13	(20) Shops and enginehouses								
14	(21) Grain elevators								
15	(22) Storage warehouses								
16	(23) Wharves and docks								
17	(24) Coal and ore wharves								
18	(26) Communication systems		6 010		842				6 852
19	(27) Signals and interlockers		122		445				567
20	(29) Power plants								
21	(31) Power-transmission systems								
22	(35) Miscellaneous structures								
23	(37) Roadway machines		4 168		1 034				5 202
24	(39) Public improvements—Construction		21		279				300
25	(44) Shop machinery*		480		28				508
26	(45) Power-plant machinery*								
27	All other road accounts								
28	Amortization (other than defense projects)								
29	Total road		18 022		5 699				23 721
30	EQUIPMENT								
31	(51) Steam locomotives								
32	(52) Other locomotives		1 230		265				1 495
33	(53) Freight-train cars								
34	(54) Passenger-train cars								
35	(56) Floating equipment								
36	(57) Work equipment								
37	(58) Miscellaneous equipment		14 641		6 800				21 441
38	Total equipment		15 871		7 065				22 936
39	GRAND TOTAL		33 893		12 764				46 657

*Chargeable to account 2223.

1502. DEPRECIATION RESERVE—ROAD AND EQUIPMENT LEASED TO OTHERS

1. This schedule is to be used in cases where the depreciation reserve is carried in the accounts of the respondent, and the rent therefrom is included in account No. 509.

2. Give the particulars called for hereunder with respect to credits and debits to account No. 735, "Accrued depreciation—Road and Equipment," during the year relating to road and equipment leased to others,

the depreciation charges for which are not includable in operating expenses of the respondent. (See schedule 1501 for the reserve relating to road and equipment owned and used by the respondent.)

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

Line No.	Account (a)	Balance at beginning of year (b)			CREDITS TO RESERVE DURING THE YEAR						DEBITS TO RESERVE DURING THE YEAR						Balance at close of year (g)		
					Charges to others (c)			Other credits (d)			Retirements (e)			Other debits (f)					
		\$			\$			\$			\$			\$			\$		
1	ROAD																		
2	(1) Engineering																		
3	(2½) Other right-of-way expenditures																		
4	(3) Grading																		
5	(5) Tunnels and subways																		
6	(6) Bridges, trestles, and culverts																		
7	(7) Elevated structures																		
8	(13) Fences, snowsheds, and signs																		
9	(16) Station and office buildings																		
10	(17) Roadway buildings																		
11	(18) Water stations																		
12	(19) Fuel stations																		
13	(20) Shops and enginehouses																		
14	(21) Grain elevators																		
15	(22) Storage warehouses																		
16	(23) Wharves and docks																		
17	(24) Coal and ore wharves																		
18	(26) Communication systems																		
19	(27) Signals and interlockers																		
20	(29) Power plants																		
21	(31) Power-transmission systems																		
22	(35) Miscellaneous structures																		
23	(37) Roadway machines																		
24	(39) Public improvements—Construction																		
25	(44) Shop machinery																		
26	(45) Power-plant machinery																		
27	All other road accounts																		
28	Total road																		
29	EQUIPMENT																		
30	(51) Steam locomotives																		
31	(52) Other locomotives																		
32	(53) Freight-train cars																		
33	(54) Passenger-train cars																		
34	(56) Floating equipment																		
35	(57) Work equipment																		
36	(58) Miscellaneous equipment																		
37	Total equipment																		
38	GRAND TOTAL																		

1503. DEPRECIATION RESERVE—ROAD AND EQUIPMENT LEASED FROM OTHERS

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

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

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

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

5. If settlement for depreciation is made currently between lessee and lessor, and no debits or credits to account No. 785 are made by the accounting company, show in column (c) the charges to operating expenses and in column (f) show payments made to the lessor in settlement thereof.

Line No.	Account	Balance at beginning of year			CREDITS TO RESERVE DURING THE YEAR						DEBITS TO RESERVE DURING THE YEAR						Balance at close of year		
					Charges to operating expenses			Other credits			Retirements			Other debits					
(a)	(b)	(c)	(d)	(e)	(f)	(g)													
		\$			\$			\$			\$			\$					
1	ROAD																		
2	(1) Engineering					116							116						
3	(2) Other right-of-way expenditures																		
4	(3) Grading																		
5	(5) Tunnels and subways																		
6	(6) Bridges, trestles, and culverts					517							517						
7	(7) Elevated structures																		
8	(13) Fences, snowsheds, and signs																		
9	(16) Station and office buildings					2 021							2 021						
10	(17) Roadway buildings																		
11	(18) Water stations																		
12	(19) Fuel stations																		
13	(20) Shops and enginehouses																		
14	(21) Grain elevators																		
15	(22) Storage warehouses																		
16	(23) Wharves and docks																		
17	(24) Coal and ore wharves																		
18	(26) Communication systems																		
19	(27) Signals and interlockers					349							349						
20	(29) Power plants																		
21	(31) Power-transmission systems																		
22	(35) Miscellaneous structures																		
23	(37) Roadway machines																		
24	(39) Public improvements—Construction					54							54						
25	(44) Shop machinery*																		
26	(45) Power-plant machinery*																		
27	All other road accounts																		
28	Total road																		
29	EQUIPMENT																		
30	(51) Steam locomotives																		
31	(52) Other locomotives																		
32	(53) Freight-train cars																		
33	(54) Passenger-train cars																		
34	(56) Floating equipment																		
35	(57) Work equipment																		
36	(58) Miscellaneous equipment																		
37	Total equipment					3 057							3 057						
38	GRAND TOTAL																		

*Chargeable to account 2223.

Col. F Amounts paid currently to Modesto Interurban Railway in accordance with lease.

1605. AMORTIZATION OF DEFENSE PROJECTS—ROAD AND EQUIPMENT OWNED AND LEASED FROM OTHERS

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

2. Show in columns (f) to (i) the balance at the close of the year and all credits and debits during the year in reserve account No. 736, "Amortization of defense projects—Road and Equipment."

3. The information requested for "Road" by columns (b) through (i) may be shown by projects amounting to \$100,000

or more, or by single entries as "Total road" in line 28. If reported by projects, each project should be briefly described, stating kind, location, and authorization date and number. Projects amounting to less than \$100,000 should be combined in a single entry designated "Minor items, each less than \$100,000."

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

Line No.	Description of property or account (a)	BASE												RESERVE											
		Debits during year (b)			Credits during year (c)			Adjustments (d)			Balance at close of year (e)			Credits during year (f)			Debits during year (g)			Adjustments (h)			Balance at close of year (i)		
		\$	xx	xx	\$	xx	xx	\$	xx	xx	\$	xx	xx	\$	xx	xx	\$	xx	xx	\$	xx	xx	\$	xx	xx
1	ROAD:	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx
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	TOTAL ROAD.....																								
29	EQUIPMENT:	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	
30	(51) Steam locomotives.....																								
31	(52) Other locomotives.....																								
32	(53) Freight-train cars.....																								
33	(54) Passenger-train cars.....																								
34	(56) Floating equipment.....																								
35	(57) Work equipment.....																								
36	(58) Miscellaneous equipment.....																								
37	TOTAL EQUIPMENT.....																								
38	GRAND TOTAL.....																								

1607. DEPRECIATION RESERVE—MISCELLANEOUS PHYSICAL PROPERTY

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

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

Line No.	Item (Kind of property and location) (a)	Balance at beginning of year (b)			Credits during year (c)			Debits during year (d)			Balance at close of year (e)			Rates (percent) (f) %	Base (g)		
		\$			\$			\$			\$				\$		
1																	
2																	
3	None																
4																	
5																	
6																	
7																	
8																	
9																	
10																	
11																	
12																	
13																	
14																	
15	TOTAL																

1608. CAPITAL SURPLUS

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

Line No.	Item (a)	Contra account number (b)	ACCOUNT NO.					
			794. Premiums and assessments on capital stock (c)			795. Paid-in surplus (d)		796. Other capital surplus (e)
			\$			\$		\$
31	Balance at beginning of year	x x x				2389	530	
32	Additions during the year (describe):							
33								
34								
35								
36								
37	Total additions during the year	x x x						
38	Deductions during the year (describe):							
39								
40								
41								
42	Total deductions	x x x				2389	530	
43	Balance at close of year	x x x						

1609. RETAINED INCOME—APPROPRIATED

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

Line No.	Class of appropriation (a)	Credits during year (b)			Debits during year (c)			Balance at close of year (d)		
		\$			\$			\$		
61	Additions to property through retained income									
62	Funded debt retired through retained income									
63	Sinking fund reserves									
64	Miscellaneous fund reserves									
65	Retained income—Appropriated (not specifically invested)									
66	Other appropriations (specify):									
67										
68										
69										
70										
71										
72										
73										
74	TOTAL									

1701. LOANS AND NOTES PAYABLE

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

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

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

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

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

Line No.	Name of creditor (a)	Character of liability or of transaction (b)	Date of issue (c)	Date of maturity (d)	Rate of interest (e)	Balance at close of year (f)			Interest accrued during year (g)			Interest paid during year (h)		
					%	\$			\$			\$		
1		None												
2														
3														
4														
5														
6														
7														
8														
9														
TOTAL														

1702. DEBT IN DEFAULT

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

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

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

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

1703. OTHER DEFERRED CHARGES

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

designated "Minor items, each less than \$100,000." In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

Line No.	Description and character of item or subaccount (a)	Amount at close of year (b)		
		\$		
41	Minor Items		4	148
42				
43				
44				
45				
46				
47				
48				
49				
50				
TOTAL			4	148

1704. OTHER DEFERRED CREDITS

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

designated "Minor items, each less than \$100,000." In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

Line No.	Description and character of item or subaccount (a)	Amount at close of year (b)		
		\$		
61	Unapplied Collections - Miscellaneous		4	030
62				
63				
64				
65				
66				
67				
68				
69				
TOTAL			4	030

1801. INCOME ACCOUNT FOR THE YEAR

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

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

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

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

Line No.	Item (a)	Amount applicable to the year (b)			Line No.	Item (e)	Amount applicable to the year (d)		
		\$					\$		
1	ORDINARY ITEMS				51	FIXED CHARGES			
2	RAILWAY OPERATING INCOME				52	(542) Rent for leased roads and equipment (p. 27)		243	520
3	(501) Railway operating revenues (p. 23)		1	948 147	53	(546) Interest on funded debt:			
4	(531) Railway operating expenses (p. 24)			780 360	54	(a) Fixed interest not in default			
5	Net revenue from railway operations			1 167 787	55	(b) Interest in default			
6	(532) Railway tax accruals*			392 235	56	(547) Interest on unfunded debt			
7	Railway operating income			775 552	57	(548) Amortization of discount on funded debt			
8	RENT INCOME				58	Total fixed charges		243	520
9	(503) Hire of freight cars—Credit balance				59	Income after fixed charges (lines 50, 58)		427	863
10	(504) Rent from locomotives				60	OTHER DEDUCTIONS			
11	(505) Rent from passenger-train cars				61	(546) Interest on funded debt:			
12	(506) Rent from floating equipment				62	(c) Contingent interest			
13	(507) Rent from work equipment				63	Ordinary income (lines 59, 62)		427	863
14	(508) Joint facility rent income								
15	Total rent income				64	EXTRAORDINARY AND PRIOR PERIOD ITEMS			
16	RENTS PAYABLE				65	(570) Extraordinary items (net), (p. 21B)			
17	(536) Hire of freight cars—Debit balance			36 026	66	(580) Prior period items (net), (p. 21B)			
18	(537) Rent for locomotives			53 760	67	(590) Federal income taxes on extraordinary and prior period items, (p. 21B)			
19	(538) Rent for passenger-train cars				68	Total extraordinary and prior period items			
20	(539) Rent for floating equipment				69	Net income transferred to Retained Income		427	863
21	(540) Rent for work equipment					Unappropriated			
22	(541) Joint facility rents			778	70	ANALYSIS OF ACCOUNT 532, RAILWAY TAX ACCRUALS			
23	Total rents payable			90 564	71	United States Government taxes:			
24	Net rents (lines 15, 23)			90 564	72	Income taxes		240	755
25	Net railway operating income (lines 7, 24)			684 988	73	Old age retirement		34	693
26	OTHER INCOME				74	Unemployment insurance		9	486
27	(502) Revenue from miscellaneous operations (p. 24)				75	All other United States taxes		1	491
28	(509) Income from lease of road and equipment (p. 27)				76	Total—U.S. Government taxes		286	415
29	(510) Miscellaneous rent income (p. 25)				77	Other than U.S. Government taxes:			
30	(511) Income from nonoperating property (p. 26)				78	California—Real property tax		69	456
31	(512) Separately operated properties—Profit				79	— Franchise Tax		36	180
32	(513) Dividend income			200 000	80	— Gross Revenue Tax			933
33	(514) Interest income			32 420	81	— Other			75
34	(516) Income from sinking and other reserve funds				82	— Vehicle Tax			1 042
35	(517) Release of premiums on funded debt				83				
36	(518) Contributions from other companies (p. 27)				84				
37	(519) Miscellaneous income (p. 25)			816	85				
38	Total other income			233 236	86				
39	Total income (lines 25, 38)			918 224	87				
40	MISCELLANEOUS DEDUCTIONS FROM INCOME				88				
41	(534) Expenses of miscellaneous operations (p. 24)				89				
42	(535) Taxes on miscellaneous operating property (p. 24)				90				
43	(543) Miscellaneous rents (p. 25)			245 385	91	Total—Other than U.S. Government taxes		105	820
44	(544) Miscellaneous tax accruals				92	Grand Total—Railway tax accruals (account 532)		392	235
45	(545) Separately operated properties—Loss								
46	(549) Maintenance of investment organization								
47	(550) Income transferred to other companies (p. 27)								
48	(551) Miscellaneous income charges (p. 25)			1 456					
49	Total miscellaneous deductions			246 841					
50	Income available for fixed charges (lines 39, 49)			671 383					

*Enter name of State.

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

1801. INCOME ACCOUNT FOR THE YEAR -- Continued

ANALYSIS OF FEDERAL INCOME TAXES

Line No.	Item (a)	Amount (b)			Remarks (c)
101	Provision for income taxes based on taxable net income recorded in the accounts for the year	\$	249	704	
102	Net decrease (or increase) because of use of accelerated depreciation under section 167 of the Internal Revenue Code and guideline lives pursuant to Revenue Procedure 62-21 and different basis used for book depreciation				
103	Net increase (or decrease) because of accelerated amortization of facilities under section 168 of the Internal Revenue Code for tax purposes and different basis used for book depreciation				
104	Net decrease (or increase) because of investment tax credit authorized in Revenue Act of 1962		8949		
105	Tax consequences, material in amount, of other unusual and significant items excluded from the income recorded in the accounts for the year or where tax consequences are disproportionate to related amounts recorded in income accounts: (Describe)				
106					
107					
108					
109					
110					
111					
112					
113					
114					
115					
116	Net applicable to the current year				
117	Adjustments applicable to previous years (net debit or credit), except carry-backs and carry-overs				
118	Adjustments for carry-backs				
119	Adjustments for carry-overs				
120	TOTAL		240	755	
121	Distribution:	xx	xx	xx	
122	Account 532		240	755	
123	Account 590				
124	Other (Specify)				
125					
126	Total		240	755	

NOTE: The amount shown on line 72 should equal line 122;
the amount shown on line 120 should equal line 126.

INCOME ACCOUNT FOR THE YEAR—EXPLANATORY NOTES

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

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

1901. RETAINED INCOME—UNAPPROPRIATED

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

2. All contra entries hereunder should be indicated in parentheses.
3. Indicate under "Remarks" the amount of assigned Federal income tax consequences, accounts 606 and 616.

Line No.	Item (a)	Amount (b)			Remarks (c)
	CREDITS	\$			
1	(602) Credit balance transferred from Income (p. 21)-----		427	863	
2	(606) Other credits to retained income†-----			1942	Net of Federal income taxes \$-----
3	(622) Appropriations released-----				
4	Total-----		429	805	
	DEBITS				
5	(612) Debit balance transferred from Income (p. 21)-----				
6	(616) Other debits to retained income†-----		28	019	Net of Federal income taxes \$-----
7	(620) Appropriations for sinking and other reserve funds-----				
8	(621) Appropriations for other purposes-----				
9	(623) Dividends (p. 23)-----		183	028	
10	Total-----		211	047	
11	Net increase during year*-----		218	758	
12	Balance at beginning of year (p. 5)*-----		1	394 417	
13	Balance at end of year (carried to p. 5)*-----		1	613 175	✓

*Amount in parentheses indicates debit balance.

†Show principal items in detail.

1902. DIVIDEND APPROPRIATIONS

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

Line No.	Name of security on which dividend was declared (a)	Rate percent (par value stock) or rate per share (nonpar stock)		Total par value of stock or total number of shares of nonpar stock on which dividend was declared (d)	Dividends (account 623) (e)	DATES	
		Regular (b)	Extra (c)			Declared (f)	Payable (g)
31	Common Stock	3660.56		\$ 5000	\$ 44 091	3-28-69	4-10-69
32					46 312	6-27-69	7-10-69
33					46 312	9-26-69	10-10-69
34					46 313	12-12-69	1-10-70
35							
36							
37							
38							
39							
40							
41							
42							
43				TOTAL	183 028		

2001. RAILWAY OPERATING REVENUES

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

Line No.	Class of railway operating revenues (a)	Amount of revenue for the year (b)				Class of railway operating revenues (c)	Amount of revenue for the year (d)			
		\$	x	x	x		\$	x	x	x
	TRANSPORTATION—RAIL LINE					INCIDENTAL				
1	(101) Freight*		1	930	960	(131) Dining and buffet				
2	(102) Passenger*					(132) Hotel and restaurant				
3	(103) Baggage					(133) Station, train, and boat privileges				
4	(104) Sleeping car					(135) Storage—Freight				
5	(105) Parlor and chair car					(137) Demurrage			7	771
6	(106) Mail					(138) Communication				
7	(107) Express					(139) Grain elevator				
8	(108) Other passenger-train					(141) Power				
9	(109) Milk					(142) Rents of buildings and other property			9	510
10	(110) Switching*				834	(143) Miscellaneous			12	353
11	(113) Water transfers					Total incidental operating revenue			16	353
12	Total rail-line transportation revenue		1	931	794	JOINT FACILITY				
15						(151) Joint facility—Cr				
14						(152) Joint facility—Dr				
15						Total joint facility operating revenue				
16						Total railway operating revenues			1	948 147

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

- For terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates. \$ -0-
- For switching services when performed in connection with line-haul transportation of freight on the basis of switching tariffs and allowances out of freight rates, including the switching of empty cars in connection with a revenue movement. \$ 13,081
- For substitute highway motor service in lieu of line-haul rail service performed under joint tariffs published by rail carriers (does not include traffic moved on joint rail-motor rates):
 - Payments for transportation of persons. \$ -0-
 - Payments for transportation of freight shipments. \$ 33,125

2002. RAILWAY OPERATING EXPENSES

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

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

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)			Name of railway operating expense account (c)	Amount of operating expenses for the year (d)		
		\$	x x	x x		\$	x x	x x
	MAINTENANCE OF WAY AND STRUCTURES		x x	x x	TRANSPORTATION—RAIL LINE		x x	x x
1	(2201) Superintendence		11	226	(2241) Superintendence and dispatching		11	215
2	(2202) Roadway maintenance		53	573	(2242) Station service		74	729
3	(2203) Maintaining structures		4	329	(2243) Yard employees		193	743
4	(2203½) Retirements—Road		1	351	(2244) Yard switching fuel		7	369
5	(2204) Dismantling retired road property			911	(2245) Miscellaneous yard expenses		21	122
6	(2208) Road property—Depreciation		8	727	(2246) Operating joint yards and terminals—Dr.			
7	(2209) Other maintenance of way expenses		17	174	(2247) Operating joint yards and terminals—Cr.			
8	(2210) Maintaining joint tracks, yards, and other facilities—Dr.		1	626	(2248) Train employees			
9	(2211) Maintaining joint tracks, yards, and other facilities—Cr.				(2249) Train fuel			
10	Total maintenance of way and structures		98	917	(2251) Other train expenses			791
11	MAINTENANCE OF EQUIPMENT		x x	x x	(2252) Injuries to persons			1 582
12	(2221) Superintendence		11	227	(2253) Loss and damage			43 523
13	(2222) Repairs to shop and power-plant machinery			117	(2254) Other casualty expenses			21 052
14	(2223) Shop and power-plant machinery—Depreciation			29	(2255) Other rail transportation expenses			
15	(2224) Dismantling retired shop and power-plant machinery				(2256) Operating joint tracks and facilities—Dr.			
16	(2225) Locomotive repairs		42	260	(2257) Operating joint tracks and facilities—Cr.			
17	(2226) Car repairs		1	120	Total transportation—Rail line		375	126
18	(2227) Other equipment repairs		3	572	MISCELLANEOUS OPERATIONS		x x	x x
19	(2228) Dismantling retired equipment				(2258) Miscellaneous operations			
20	(2229) Retirements—Equipment				(2259) Operating joint miscellaneous facilities—Dr.			
21	(2234) Equipment—Depreciation		7	065	(2260) Operating joint miscellaneous facilities—Cr.			
22	(2235) Other equipment expenses		9	293	GENERAL		x x	x x
23	(2236) Joint maintenance of equipment expenses—Dr.				(2261) Administration		136	312
24	(2237) Joint maintenance of equipment expenses—Cr.				(2262) Insurance		10	519
25	Total maintenance of equipment		74	683	(2264) Other general expenses			41 879
26	TRAFFIC		x x	x x	(2265) General joint facilities—Dr.			
27	(2240) Traffic expenses		42	924	(2266) General joint facilities—Cr.			
28					Total general expenses		188	710
29					GRAND TOTAL RAILWAY OPERATING EXPENSES		787	360

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

2003. MISCELLANEOUS PHYSICAL PROPERTIES OPERATED DURING THE YEAR

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

In column (a) give the designation used in the respondent's records and the name of the town or city and State in which the property or plant is located, stating whether the respondent's title is that of ownership or whether the property is held under lease or other

incomplete title. All peculiarities of title should be explained in a footnote.

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

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

2101. MISCELLANEOUS RENT INCOME

Line No.	DESCRIPTION OF PROPERTY		Name of lessee (c)	Amount of rent (d)		
	Name (a)	Location (b)				
1		None		\$		
2						
3						
4						
5						
6						
7						
8						
9						
TOTAL						

2102. MISCELLANEOUS INCOME

Line No.	Source and character of receipt (a)	Gross receipts (b)			Expenses and other deductions (c)			Net miscellaneous income (d)		
21	Allied Concrete from Materials sold	\$		893	\$		227	\$		666
22	Refund of permit deposit from PUC			150						150
23										
24										
25										
26										
27										
28										
29										
TOTAL				1,043			227			816

2103. MISCELLANEOUS RENTS

Line No.	DESCRIPTION OF PROPERTY		Name of lessor (c)	Amount charged to income (d)		
	Name (a)	Location (b)				
31	Material Yard	Modesto, Calif.	Beard Land Improvement Co.	\$		600
32	Material Yard	" "	Diamond Walnut Growers			1,265
33	Land	" "	Beard Land Improvement		243	520
34						
35						
36						
37						
38						
39						
TOTAL					243	385

2104. MISCELLANEOUS INCOME CHARGES

Line No.	Description and purpose of deduction from gross income (a)	Amount (b)		
41	Interest on freight claims	\$		10
42	Amortization of Annual City of Modesto Franchise Fee's - "B" Street			670
43	Franchise Fee's - 9th Street			364
44	Amortization of Annual City of Modesto Franchise Fee's - Joint Trackage			412
45				
46				
47				
48				
49				
50				
TOTAL				1,456

2201. INCOME FROM NONOPERATING PROPERTY

Line No.	Designation (a)	Revenues or income (b)	Expenses (c)	Net income or loss (d)	Taxes (e)
		\$	\$	\$	\$
1	None				
2					
3					
4					
5					
6					
7					
	TOTAL				

2202. MILEAGE OPERATED (ALL TRACKS)†

Give particulars called for concerning all tracks operated by respondent at the close of the year. Way switching tracks include station, team, industry, and other switching tracks for which no separate switching service is maintained. Yard switching tracks include classification, house, team, industry, and other tracks switched by yard locomotives in yards where separate switching services are maintained. Tracks belonging to an industry for which no rent is payable should not be reported. Switching and Terminal Companies report on line 26 only.

2203. MILEAGE OPERATED—BY STATES

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

Line No.	Line in use (a)	Owned (b)	Proprietary companies (c)	Leased (d)	Operated under contract (e)	Operated under track-age rights (f)	Total operated (g)	State (h)	Owned (i)	Proprietary companies (j)	Leased (k)	Operated under contract (l)	Operated under track-age rights (m)	Total operated (n)
21	Single or first main track													
22	Second and additional main tracks							California						
23	Passing tracks, cross-overs, and turn-outs													
24	Way switching tracks													
25	Yard switching tracks													
26	TOTAL	104	1	2572	6		9912715		104	1	2572			9912715

2215. Show, by States, mileage of tracks owned but not operated by respondent: First main track, None; second and additional main tracks, None; industrial tracks, None; yard track and sidings, None; total, all tracks, None†

2216. Road is completed from (Line Haul Railways only)* _____ to _____ Total distance, _____ miles

2217. Road located at (Switching and Terminal Companies only)* Modesto, California

2218. Gage of track 4 ft. 85 in. 2219. Weight of rail 60 to 159 lb. per yard.

2220. Kind and number per mile of cross-ties Redwood and Fir approximately 3150 per mile

2221. State number of miles electrified: First main track, None; second and additional main tracks, None; passing tracks, cross-overs, and turn-outs, None; way switching tracks, None; yard switching tracks, None

2222. Ties applied in replacement during year: Number of cross-ties, 2669; average cost per tie, \$ 4.00; number of feet (B. M.) of switch and bridge ties, 15804; average cost per M feet (B. M.), \$ 12.95

2223. Rail applied in replacement during year: Tons (2,000 pounds), 9958; weight per yard, 60 to 159; average cost per ton, \$ 72.96

*Insert names of places.

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

EXPLANATORY REMARKS

2301. RENTS RECEIVABLE

INCOME FROM LEASE OF ROAD AND EQUIPMENT

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

2302. RENTS PAYABLE

RENT FOR LEASED ROADS AND EQUIPMENT

Line No.	Road leased (a)	Location (b)	Name of lessor (c)	Amount of rent during year (d)		
11	Modesto Interurban Ry.	Modesto, California	Modesto Interurban Ry.	\$	243	520
12						
13						
14						
15						
TOTAL					243	520

2303. CONTRIBUTIONS FROM OTHER COMPANIES

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

2304. INCOME TRANSFERRED TO OTHER COMPANIES

Line No.	Name of transferee (c)	Amount during year (d)		
	None	\$		
TOTAL				

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

None

2401. EMPLOYEES, SERVICE, AND COMPENSATION

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

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

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

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

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

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

Line No.	Classes of employees (a)	Average number of employees (b)	Total service hours (c)	Total compensation (d)	Remarks (e)
1	TOTAL (executives, officials, and staff assistants)	8	16 960	111 430	
2	TOTAL (professional, clerical, and general)	15	30 118	106 105	
3	TOTAL (maintenance of way and structures)	10	20 199	60 252	
4	TOTAL (maintenance of equipment and stores)	2	3 827	12 468	
5	TOTAL (transportation—other than train, engine, and yard)				
6	TOTAL (transportation—yardmasters, switch tenders, and hostlers)	1	2 056	8 185	
7	TOTAL, ALL GROUPS (except train and engine)	36	73 160	298 440	
8	TOTAL (transportation—train and engine)	18	39 200	178 236	
9	GRAND TOTAL	54	112 360	476 676	

Amount of foregoing compensation (excluding back pay for prior years) that is chargeable to account No. 531, "Railway operating expenses": \$ 452,101

2402. CONSUMPTION OF FUEL BY MOTIVE-POWER UNITS

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

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

Line No.	Kind of service (a)	A. LOCOMOTIVES (STEAM, ELECTRIC, AND OTHER)					B. RAIL MOTOR CARS (GASOLINE, OIL-ELECTRIC, ETC.)		
		Diesel oil (gallons) (b)	Gasoline (gallons) (c)	Electricity (kilowatt-hours) (d)	STEAM		Electricity (kilowatt-hours) (g)	Gasoline (gallons) (h)	Diesel oil (gallons) (i)
					Coal (tons) (e)	Fuel oil (gallons) (f)			
31	Freight								
32	Passenger								
33	Yard switching	48,856							
34	TOTAL TRANSPORTATION	48,856							
35	Work train	None	None	None	None	None	None	None	None
36	GRAND TOTAL	48,856							
37	TOTAL COST OF FUEL*	7,369		XXXX			XXXX		

*Show cost of fuel charged to yard and train service (accounts Nos. 2244 and 2249). The cost stated for the various kinds of fuel should be the total charges in the accounts specified, including freight charges and handling expenses. The cost stated for electric current should be the total charges in the accounts enumerated. Fuel and power consumed by mixed and special trains that are predominantly freight should be included in freight service, but where the service of mixed or special trains is predominantly passenger, the fuel and power used should be included in passenger service.

2501. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

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

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

Line No.	Name of person (a)	Title (b)	Salary per annum as of close of year (see instructions) (c)	Other compensation during the year (d)
1	John B. Beard	Chairman of the Board	\$ 16,560	\$ 885
2	Richard F. Olson	President	21,000	885
3	Robert B. Beard	Vice Pres., Secy. & Treasurer	19,200	885
4				
5				
6				
7				
8				
9	1. John B. Beard - Unchanged			
10	2. Richard F. Olson - Increased 12 1/2 % from 19,080 to 21,000			
11	3. Robert B. Beard - Increased 12 1/2 % from 17,280 to 19,200			
12				
13				
14				
15				

2502. PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

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

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

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

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

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

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

Line No.	Name of recipient (a)	Nature of service (b)	Amount of payment (c)
31	American Shortline Railroad Assoc.	Tariff Information	\$ 2,280
32	Pacific Coast Demurrage Bureau	Demurrage Checking & Clearing	1,369
33	Uniform Classification Committee	Tariff Information	50
34	Western Motor Tariff Bureau	Tariff Information	189
35	Pacific Southwest Freight Bureau	Tariff Information	1,033
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			
46			
TOTAL			4,921

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

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

Item No.	Item (a)	Freight trains (b)			Passenger trains (c)			Total transportation service (d)		Work trains (e)		
1	Average mileage of road operated (whole number required)			5			None		5	x	x	x
	TRAIN-MILES											
2	Total (with locomotives)			8844					8844			
3	Total (with motorcars)			None								
4	TOTAL TRAIN-MILES			8844			None		8844			None
	LOCOMOTIVE UNIT-MILES											
5	Road service			12908					12908	x	x	x
6	Train switching									x	x	x
7	Yard switching			43115					43115	x	x	x
8	TOTAL LOCOMOTIVE UNIT-MILES			56023					56023	x	x	x
	CAR-MILES											
9	Loaded freight cars			76378					76378	x	x	x
10	Empty freight cars			68349					68349	x	x	x
11	Caboose			None					None	x	x	x
12	TOTAL FREIGHT CAR-MILES			144727					144727	x	x	x
13	Passenger coaches									x	x	x
14	Combination passenger cars (mail, express, or baggage, etc., with passenger)									x	x	x
15	Sleeping and parlor cars			None						x	x	x
16	Dining, grill and tavern						None			x	x	x
17	Head-end cars									x	x	x
18	TOTAL (lines 13, 14, 15, 16 and 17)									x	x	x
19	Business cars									x	x	x
20	Crew cars (other than cabooses)									x	x	x
21	GRAND TOTAL CAR-MILES (lines 12, 18, 19 and 20)			144727					144727	x	x	x
	REVENUE AND NONREVENUE FREIGHT TRAFFIC											
22	Tons—Revenue freight	x	x	x	x	x	x	x	913331	x	x	x
23	Tons—Nonrevenue freight	x	x	x	x	x	x	x	None	x	x	x
24	TOTAL TONS—REVENUE AND NONREVENUE FREIGHT	x	x	x	x	x	x	x	913331	x	x	x
25	Ton-miles—Revenue freight	x	x	x	x	x	x	x	4566655	x	x	x
26	Ton-miles—Nonrevenue freight	x	x	x	x	x	x	x	None	x	x	x
27	TOTAL TON-MILES—REVENUE AND NONREVENUE FREIGHT	x	x	x	x	x	x	x	4566655	x	x	x
	REVENUE PASSENGER TRAFFIC											
28	Passengers carried—Revenue	x	x	x	x	x	x	x	None	x	x	x
29	Passenger-miles—Revenue	x	x	x	x	x	x	x	None	x	x	x

NOTES AND REMARKS

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

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

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

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

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

Item No.	COMMODITY Description (a)	Code No.	REVENUE FREIGHT IN TONS (2,000 POUNDS)			Gross freight revenue (dollars) (e)
			Originating on respondent's road (b)	Received from connecting carriers (c)	Total carried (d)	
1	Farm Products	01				
2	Forest Products	08				
3	Fresh Fish and Other Marine Products	09				
4	Metallic Ores	10				
5	Coal	11				
6	Crude Petro, Nat Gas, & Nat Gsln	13				
7	Nonmetallic Minerals, except Fuels	14				
8	Ordinance and Accessories	19				
9	Food and Kindred Products	20				
10	Tobacco Products	21				
11	Basic Textiles	22				
12	Apparel & Other Finished Tex Prd Inc Knit	23				
13	Lumber & Wood Products, except Furniture	24				
14	Furniture and Fixtures	25				
15	Pulp, Paper and Allied Products	26				
16	Printed Matter	27				
17	Chemicals and Allied Products	28				
18	Petroleum and Coal Products	29				
19	Rubber & Miscellaneous Plastic Products	30				
20	Leather and Leather Products	31				
21	Stone, Clay and Glass Products	32				
22	Primary Metal Products	33				
23	Fabr Metal Prd, Exc Ordn Machy & Transp	34				
24	Machinery, except Electrical	35				
25	Electrical Machy, Equipment & Supplies	36				
26	Transportation Equipment	37				
27	Instr, Phot & Opt GD, Watches & Clocks	38				
28	Miscellaneous Products of Manufacturing	39				
29	Waste and Scrap Materials	40				
30	Miscellaneous Freight Shipments	41				
31	Containers, Shipping, Returned Empty	42				
32	Freight Forwarder Traffic	44				
33	Shipper Assn or Similar Traffic	45				
34	Misc Shipments except Forwarder (44) or shipper Assn (45)	46				
35	GRAND TOTAL, CARLOAD TRAFFIC					
36	Small Packaged Freight Shipments	47				
37	Grand Total, Carload & LCL Traffic					

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

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

☐ Supplemental Report NOT OPEN TO PUBLIC INSPECTION.

ABBREVIATIONS USED IN COMMODITY DESCRIPTIONS

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

2701. SWITCHING AND TERMINAL TRAFFIC AND CAR STATISTICS

(FOR SWITCHING OR TERMINAL COMPANIES ONLY)

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

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

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

Item No.	Item (a)	Switching operations (b)		Terminal operations (c)		Total (d)	
FREIGHT TRAFFIC							
1	Number of cars handled earning revenue—Loaded		455		20 342		20 797
2	Number of cars handled earning revenue—Empty		455		16 339		16 794
3	Number of cars handled at cost for tenant companies—Loaded						
4	Number of cars handled at cost for tenant companies—Empty						
5	Number of cars handled not earning revenue—Loaded						
6	Number of cars handled not earning revenue—Empty						
7	Total number of cars handled		910		36 681		37 591
PASSENGER TRAFFIC							
8	Number of cars handled earning revenue—Loaded						
9	Number of cars handled earning revenue—Empty						
10	Number of cars handled at cost for tenant companies—Loaded						
11	Number of cars handled at cost for tenant companies—Empty						
12	Number of cars handled not earning revenue—Loaded						
13	Number of cars handled not earning revenue—Empty						
14	Total number of cars handled		None		None		None
15	Total number of cars handled in revenue service (items 7 and 14)		910		36 681		37 591
16	Total number of cars handled in work service		None		None		None

Number of locomotive-miles in yard-switching service: Freight, 43,115; passenger, None

2801. INVENTORY OF EQUIPMENT INSTRUCTIONS

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

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

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

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

5. A "Diesel" unit includes all units propelled by diesel internal combustion engines irrespective of final drive, and whether power may at times be supplied from an external conductor. An "Electric" unit includes all units which receive electric power from an overhead con-

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

6. Column (h) should show aggregate capacity for all units reported in column (g), as follows: For locomotive units, report the rated continuous horsepower for traction. (One horsepower is equivalent to a force that will raise 33,000 pounds one foot in one minute.), or tractive effort of steam locomotive units; for freight-train cars report the nominal capacity (in tons of 2,000 lbs.) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. (Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to carry customarily.); for passenger-train cars report the number of passenger seats available for revenue service, counting one passenger to each berth in sleeping cars.

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

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

Line No.	Item	Units in service of respondent at beginning of year	Number added during year	Number retired during year	NUMBER AT CLOSE OF YEAR			Aggregate capacity of units reported in col. (g) (See ins. 6)	Number leased to others at close of year
					Owned and used	Leased from others	Total in service of respondent (e+f)		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
LOCOMOTIVE UNITS									
1.	Diesel-----	4	0	0	0	4	4	2400	None
2.	Electric-----	None							
3.	Other-----	None							
4.	Total (lines 1 to 3)-----	4	0	0	0	4	4	2400	None
FREIGHT-TRAIN CARS									
								(tons)	
5.	Box-General service (A-20, A-30, A-40, A-50, all B (except B080) L070, R-00, R-01, R-06, R-07)-----								
6.	Box-Special service (A-00, A-10, B080)-----								
7.	Gondola (All G, J-00, all C, all E)-----								
8.	Hopper-Open top (All H, J-10, all K)-----								
9.	Hopper-Covered (L-5-)-----								
10.	Tank (All T)-----								
11.	Refrigerator-Mechanical (R-04, R-10, R-11, R-12)-----								
12.	Refrigerator-Non-Mechanical (R-02, R-03, R-05, R-08, R-09, R-13, R-14, R-15, R-16, R-17)-----								
13.	Stock (All S)-----								
14.	Autorack (F-3-, F-6-)-----								
15.	Flat (All F (except F-5-, F-6-, F-7-, F-8-), L-2, L-3-)-----								
16.	Flat-TOFC (F-7-, F-8-)-----								
17.	All other (L-0-, L-1-, L-4-, L080, L090)-----								
18.	Total (lines 5 to 17)-----							XXXX	
19.	Caboose (All N)-----							XXXX	
20.	Total (lines 18 and 19)-----							(seating capacity)	
PASSENGER-TRAIN CARS									
NON-SELF-PROPELLED									
21.	Coaches and combined cars (PA, PB, PBO, all class C, except CSB)-----								
22.	Parlor, sleeping, dining cars (PBC, PC, PL, PO, PS, PT, PAS, PDS, all class D, PD)-----								
23.	Non-passenger carrying cars (All class B, CSB, PSA, IA, all class M)-----							XXXX	
24.	Total (lines 21 to 23)-----								

2801. INVENTORY OF EQUIPMENT—Concluded

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

Line No.	Item	Units in service of respondent at beginning of year	Number added during year	Number retired during year	NUMBER AT CLOSE OF YEAR			Aggregate capacity of units reported in col. (g) (See ins. 6)	Number leased to others at close of year
					Owned and used	Leased from others	Total in service of respondent (e+f)		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
	PASSENGER-TRAIN CARS -- Continued							(Seating capacity)	
25.	Electric passenger cars (EC, EP, ET)-----								
26.	Internal combustion rail motorcars (ED, EG)-----			None					
27.	Other self-propelled cars (Specify types)-----								
28.	Total (lines 25 to 27)-----								
29.	Total (lines 24 and 28)-----								
	COMPANY SERVICE CARS								
30.	Business cars (PV)-----							XXXX	
31.	Boarding outfit cars (MWX)-----							XXXX	
32.	Derrick and snow removal cars (MWK, MWU, MWV, MWW)-----							XXXX	
33.	Dump and ballast cars (MWB, MWD)-----							XXXX	
34.	Other maintenance and service equipment cars-----	1	0	0	0	0	1	XXXX	0
35.	Total (lines 30 to 34)-----	1	0	0	0	0	1	XXXX	0
36.	Grand total (lines 20, 29, and 35)-----	1	0	0	0	0	1	XXXX	0
	FLOATING EQUIPMENT								
37.	Self-propelled vessels (Tugboats, car ferries, etc.)-----							XXXX	
38.	Non-self-propelled vessels (Car floats, lighters, etc.)-----			None				XXXX	
39.	Total (lines 37 and 38)-----							XXXX	

2900. IMPORTANT CHANGES DURING THE YEAR

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

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

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

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

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

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

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

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

8. All other important financial changes.

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

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

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

1a. No change

2a. 0.32 miles switch track constructed in 1969 - 396,218

3a. No change

4a. No change

5a. None

6a. No change

7a. No change

8a. No change

9a. No change

10a. No change

11a. No change

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

Miles of road constructed Miles of road abandoned

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

VERIFICATION

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

OATH

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

State of California }
County of Stanislaus } ss:

Robert S. Olson makes oath and says that he is Gen. Freight & Pass. Agent
(Insert here the name of the affiant) (Insert here the official title of the affiant)
of Western & Eastern Union Tel. Co.
(Insert here the exact legal title or name of the respondent)

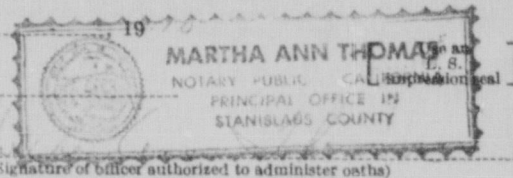
that it is his duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders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

time from and including January 1, 1969, to and including December 31, 1969

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public, in and for the State and county above named, this 30th day of March

My commission expires May 31, 1973



(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of California }
County of Stanislaus } ss:

Richard P. Olson makes oath and says that he is President
(Insert here the name of the affiant) (Insert here the official title of the affiant)
of Western & Eastern Union Tel. Co.
(Insert here the exact legal title or name of the respondent)

that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent and the operation of its property during the period of time from and including January 1, 1969, to and including December 31, 1969

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public, in and for the State and county above named, this 30th day of March

My commission expires May 31, 1973



(Signature of officer authorized to administer oaths)

701. ROAD AND EQUIPMENT PROPERTY

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

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

3. Report on line 34 amounts representing capitalization of rentals for leased property based on 6 percent per year where property is not classified by accounts by non-carrier owners, or where cost of property leased from other carriers is not ascertainable. Identify non-carrier owners, and briefly explain methods of esti-

imating value of property of non-carriers or property of other carriers in a footnote.

4. Report on line 35 amounts not includable in the accounts shown, or in line 34. The items reported should be briefly identified and explained in a footnote. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

Line No.	Account (a)	BALANCE AT BEGINNING OF YEAR		TOTAL EXPENDITURES DURING THE YEAR		BALANCE AT CLOSE OF YEAR	
		all in Calif	all in Calif	all in Calif	all in Calif	all in Calif	all in Calif
		Entire line (b)	State (c)	Entire line (d)	State (e)	Entire line (f)	State (g)
1	(1) Engineering	\$ 914	\$ 914	\$ 2815	\$ 2815	\$ 3729	\$ 3729
2	(2) Land for transportation purposes			4100	4100	4100	4100
3	(2 1/2) Other right-of-way expenditures						
4	(3) Grading	1506	1506	10307	10307	11813	11813
5	(5) Tunnels and subways						
6	(6) Bridges, trestles, and culverts	1860	1860			1860	1860
7	(7) Elevated structures						
8	(8) Ties	4773	4773	7065	7065	11838	11838
9	(9) Rails	6347	6347	9726	9726	16073	16073
10	(10) Other track material	8753	8753	27619	27619	36372	36372
11	(11) Ballast	3221	3221	3393	3393	6614	6614
12	(12) Track laying and surfacing	13188	13188	35092	35092	48280	48280
13	(13) Fences, snowsheds, and signs						
14	(16) Station and office buildings	63776	63776	997	997	64773	64773
15	(17) Roadway buildings						
16	(18) Water stations						
17	(19) Fuel stations						
18	(20) Shops and enginehouses						
19	(21) Grain elevators						
20	(22) Storage warehouses						
21	(23) Wharves and docks						
22	(24) Coal and ore wharves						
23	(26) Communication systems	8297	8297	1616	1616	9913	9913
24	(27) Signals and interlockers	3339	3339	7187	7187	10526	10526
25	(29) Powerplants						
26	(31) Power-transmission systems						
27	(35) Miscellaneous structures						
28	(37) Roadway machines	16150	16150			16150	16150
29	(38) Roadway small tools						
30	(39) Public improvements—Construction	371	371	17402	17402	17773	17773
31	(43) Other expenditures—Road						
32	(44) Shop machinery	1799	1799			1799	1799
33	(45) Powerplant machinery						
34	Leased property capitalized rentals (explain)						
35	(51) Other (specify & explain)						
36	Total expenditures for road	134294	134294	127319	127319	261613	261613
37	(51) Steam locomotives						
38	(52) Other locomotives	2646	2646			2646	2646
39	(53) Freight-train cars						
40	(54) Passenger-train cars						
41	(56) Floating equipment						
42	(57) Work equipment						
43	(58) Miscellaneous equipment	32101	32101	8997	8997	41098	41098
44	Total expenditures for equipment	34747	34747	8997	8997	43744	43744
45	(71) Organization expenses						
46	(76) Interest during construction						
47	(77) Other expenditures—General						
48	Total general expenditures						
49	Total	169041	169041	136316	136316	305357	305357
50	(80) Other elements of investment						
51	(90) Construction work in progress	152573	152573	148492	148492	4081	4081
52	GRAND TOTAL	321614	321614	12176	12176	309438	309438

2002. RAILWAY OPERATING EXPENSES

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

Line No.	Name of railway operating expense account (a)	AMOUNT OF OPERATING EXPENSES FOR THE YEAR			Name of railway operating expense account (d)	AMOUNT OF OPERATING EXPENSES FOR THE YEAR		
		all in Col. (b)	all in Col. (c)	all in Col. (e)		all in Col. (f)	all in Col. (g)	all in Col. (h)
1	MAINTENANCE OF WAY AND STRUCTURES	\$	\$	\$	(2247) Operating joint yards and terminals—Cr.	\$	\$	\$
2	(2201) Superintendence	11 226	11 226	11 226	(2248) Train employees			
3	(2202) Roadway maintenance	53 573	53 573	53 573	(2249) Train fuel			
4	(2203) Maintaining structures	4 329	4 329	4 329	(2251) Other train expenses	191	191	191
5	(2203 1/2) Retirements—Road	1 351	1 351	1 351	(2252) Injuries to persons			
6	(2204) Dismantling retired road property	9 11	9 11	9 11	(2253) Loss and damage	1 582	1 582	1 582
7	(2208) Road Property—Depreciation	8 127	8 127	8 127	(2254) Other casualty expenses	43 523	43 523	43 523
8	(2209) Other maintenance of way expenses	17 174	17 174	17 174	(2255) Other rail transportation expenses	21 052	21 052	21 052
9	(2210) Maintaining joint tracks, yards, and other facilities—Dr.	1 626	1 626	1 626	(2256) Operating joint tracks and facilities—Dr.			
10	(2211) Maintaining joint tracks, yards, and other facilities—Cr.				(2257) Operating joint tracks and facilities—Cr.			
11	Total maintenance of way and struc.	98 917	98 917	98 917	Total transportation—Rail line	375 126	375 126	375 126
12	MAINTENANCE OF EQUIPMENT	\$	\$	\$	MISCELLANEOUS OPERATIONS	\$	\$	\$
13	(2221) Superintendence	11 227	11 227	11 227	(2258) Miscellaneous operations			
14	(2222) Repairs to shop and power-plant machinery	117	117	117	(2259) Operating joint miscellaneous facilities—Dr.			
15	(2223) Shop and power-plant machinery—Depreciation	29	29	29	(2260) Operating joint miscellaneous facilities—Cr.			
16	(2224) Dismantling retired shop and power-plant machinery				Total miscellaneous operating			
17	(2225) Locomotive repairs	42 260	42 260	42 260	GENERAL	\$	\$	\$
18	(2226) Car repairs	1 120	1 120	1 120	(2261) Administration	136 312	136 312	136 312
19	(2227) Other equipment repairs	3 572	3 572	3 572	(2262) Insurance	10 519	10 519	10 519
20	(2228) Dismantling retired equipment				(2264) Other general expenses	35 562	35 562	35 562
21	(2229) Retirements—Equipment				(2265) General joint facilities—Dr.			
22	(2234) Equipment—Depreciation	7 065	7 065	7 065	(2266) General joint facilities—Cr.			
23	(2235) Other equipment expenses	9 293	9 293	9 293	Total general expenses	182 393	182 393	182 393
24	(2236) Joint maintenance of equipment expenses—Dr.				RECAPITULATION	\$	\$	\$
25	(2237) Joint maintenance of equipment expenses—Cr.				Maintenance of way and structures	98 917	98 917	98 917
26	Total maintenance of equipment	74 683	74 683	74 683	Maintenance of equipment	74 683	74 683	74 683
27	TRAFFIC	\$	\$	\$	Traffic expenses	42 924	42 924	42 924
28	(2240) Traffic Expenses	42 924	42 924	42 924	Transportation—Rail line	375 126	375 126	375 126
29	TRANSPORTATION—RAIL LINE	\$	\$	\$	Miscellaneous operations			
30	(2241) Superintendence and dispatching	11 215	11 215	11 215	General expenses	182 393	182 393	182 393
31	(2242) Station service	74 729	74 729	74 729	Grand Total Railway Operating Exp.	774 043	774 043	774 043
32	(2243) Yard employees	193 743	193 743	193 743				
33	(2244) Yard switching fuel	7 369	7 369	7 369				
34	(2245) Miscellaneous yard expenses	21 122	21 122	21 122				
35	(2246) Operating joint yard and terminals—Dr.							
36	Operating ratio (ratio of operating expenses to operating revenues),	39.73	percent.					
	(Two decimal places required.)							

2003. MISCELLANEOUS PHYSICAL PROPERTIES OPERATED DURING THE YEAR

Give particulars of each class of miscellaneous physical property or plant operated during the year. Group the properties under the heads of the classes of operations to which they are devoted. In column (a) give the designation used in the respondent's records and the name of the town or city and State in which the property or plant is located, stating whether the respondent's title is that of ownership or whether the property is held under lease or other incomplete title. All peculiarities of title should be explained in a footnote.

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

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

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

Line No.	Item (a)	LINE OPERATED BY RESPONDENT							
		Class 1: Line owned		Class 2: Line of proprietary companies		Class 3: Line operated under lease		Class 4: Line operated under contract	
		Added during year (b)	Total at end of year (c)	Added during year (d)	Total at end of year (e)	Added during year (f)	Total at end of year (g)	Added during year (h)	Total at end of year (i)
1	Miles of road						5.19		
2	Miles of second main track								
3	Miles of all other main tracks								
4	Miles of passing tracks, crossovers, and turnouts								
5	Miles of way switching tracks								
6	Miles of yard switching tracks	32	104				20.53		
7	All tracks	32	104				25.72		

Line No.	Item (j)	LINE OPERATED BY RESPONDENT				LINE OWNED BUT NOT OPERATED BY RESPONDENT	
		Class 5: Line operated under trackage rights		Total line operated		Added during year (o)	Total at end of year (p)
		Added during year (k)	Total at end of year (l)	At beginning of year (m)	At close of year (n)		
1	Miles of road				5.19		
2	Miles of second main track						
3	Miles of all other main tracks						
4	Miles of passing tracks, crossovers, and turnouts						
5	Miles of way switching tracks—Industrial						
6	Miles of way switching tracks—Other						
7	Miles of yard switching tracks—Industrial						
8	Miles of yard switching tracks—Other		99		22.56		
9	All tracks		99		27.75		

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

2302. RENTS RECEIVABLE

INCOME FROM LEASE OF ROAD AND EQUIPMENT

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

2303. RENTS PAYABLE

RENT FOR LEASED ROADS AND EQUIPMENT

Line No.	Road leased (a)	Location (b)	Name of lessor (c)	Amount of rent during year (d)	
21	Modesto Interurban Ry.	Modesto, California	Modesto Interurban Ry.	\$	243.520
22					
23					
24					
25					
			TOTAL		243.520

2304. CONTRIBUTIONS FROM OTHER COMPANIES

2305. INCOME TRANSFERRED TO OTHER COMPANIES

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