

ANNUAL REPORT 1973

118500

READING CO.

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annual report

 INTERSTATE
COMMERCE COMMISSION
RECEIVED

JAN 31 1974

 ADMINISTRATIVE SERVICES
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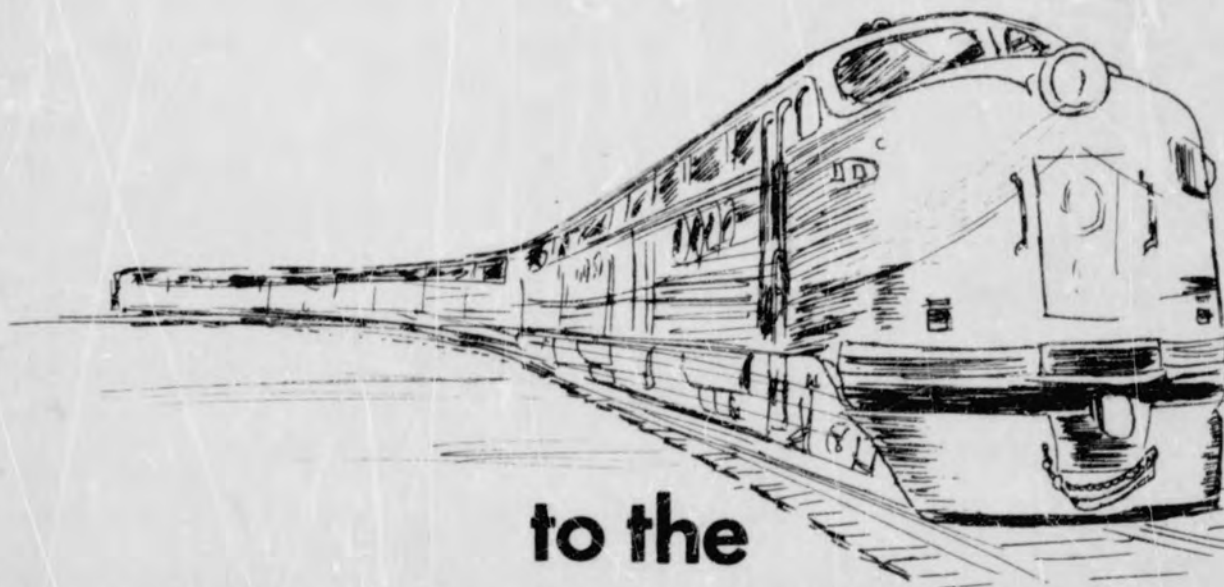
Batch 24

 READING COMPANY
RICHARDSON DILWORTH AND
ANDREW L. LEWIS, JR., TRUSTEES
(ANDREW L. LEWIS, JR., SURVIVING TRUSTEE)

 125000180READING CO 1 11850
READING CO.
12TH & MARKET STS.
PHILADELPHIA, PA. 19107

CLLH

Correct name and address if different than shown.

 Full name and address of reporting carrier.
(Use mailing label on original, copy in full on duplicate.)


to the
Interstate Commerce Commission

FOR THE YEAR ENDED DECEMBER 31, 1973

NOTICE

1. This form for annual report should be filled out in triplicate and two copies returned to the Interstate Commerce Commission, Bureau of Accounts, Washington, D.C. 20423, by March 31, of the year following that for which the report is made. One copy should be retained in respondent's files. 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 this section to be filed, * * * or shall knowingly or willfully file with the Commission any false report or other document, shall be deemed guilty of a misdemeanor and shall be subject, upon conviction in any court of the United States of competent jurisdiction, to a fine of not more than five thousand dollars or imprisonment for not more than two years, or both such fine and imprisonment: * * *

(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.

(d) 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 108, page 6.

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 parenthesis.

6. Money items, except averages, throughout the annual report form should be shown in thousands of dollars adjusted to accord with footings. Totals for amounts reported in subsidiary accounts included in supporting schedules must be in agreement with related primary accounts. For purposes of rounding, amounts of \$500 but less than \$1,000 should be raised to the nearest thousand dollars, and amounts of less than \$500 should be lowered.

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 railroads, 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 OF ACCOUNTS FOR RAILROAD COMPANIES means the system of accounts 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	414	Schedule	411
"	415	"	412
"	532		

ANNUAL REPORT

OF

READING COMPANY

RICHARDSON DILWORTH AND ANDREW L. LEWIS, JR., TRUSTEES
(ANDREW L. LEWIS, JR., SURVIVING TRUSTEE)

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1973

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

(Name) T. J. Giblin (Title) Comptroller

(Telephone number) 215 922 - 6100 Ext. 500
(Area code) (Telephone number)

(Office address) Reading Terminal, Philadelphia, Pennsylvania, 19107.
(Street and number, city, State, and ZIP code)

SPECIAL NOTICE

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

This report, formerly designated Form A, has been reduced in size to make it easier to complete, convenient to handle and permit the use of standard copy machines to reproduce reports.

NOTICE - Inside Front Cover

New instruction 6 added to provide for the reporting of money items throughout the report in thousands of dollars.

Page 10: Schedule 200A. Comparative General Balance Sheet - Assets

Page 11: Schedule 200L. Comparative General Balance Sheet - Liabilities and Shareholders' Equity

Accounts 705 and 752 have been revised to read "Traffic, car service and other balances - Dr." and "Traffic, car service and other balances - Cr.," respectively to conform to the amendment of the Uniform System of Accounts for Railroad Companies (49 C.F.R. 1201), as authorized in Order of the Commission, in Docket No. 32153 (Sub-No. 3) dated November 10, 1972.

Page 15: Schedule 201. Items in Selected Current Asset Accounts

Instructions have been revised to require the reporting of the three largest items regardless of the dollar amount and minimum dollar amount increased to \$250,000.

Pages 16 and 17: Schedule 204. Sinking, Capital, Insurance and Other Reserve Funds

Instructions have been revised to require the reporting of the three largest funds in each account, and funds earmarked incentive per diem, regardless of the dollar amount and minimum dollar amount increased to \$250,000. Reporting of par value eliminated. Instructions clarified as to reporting of data in column (b).

Pages 20-23: Schedule 205. Investments in Affiliated Companies

Reporting of par value data eliminated.

Pages 24-27: Schedule 206. Other Investments

Reporting of par value data eliminated. Instructions revised to delete the requirement for reporting investments included in accounts numbered 715, 716 and 717, where those investments are held by trustees in lieu of cash deposits required under the governing instrument.

Pages 28 and 29: Schedule 209. Securities, Advances, and Other Intangibles Owned or Controlled Through Nonreporting Carrier and Noncarrier Subsidiaries

Reporting of par value data eliminated.

Page 46: Schedule 216. Other Assets and Deferred Charges

Page 55: Schedule 223. Items in Selected Current Liability Accounts

Page 57: Schedule 225. Items in Selected Reserve and Other Liability Accounts

Page 62: Schedule 233. Contingent Assets and Liabilities

**Page 86: Schedule 371. Income from Lease of Road and Equipment
Schedule 372. Miscellaneous Rent Income**

Page 87: Schedule 375. Separately Operated Properties - Profit or Loss

Instructions have been revised to require the reporting of the three largest items regardless of the dollar amount and minimum dollar amount increased to \$250,000.

Page 88: Schedule 376. Hire of Freight Cars

Reporting of "Net Balance of Unequipped Box Car Rentals Included in Line 23" has been eliminated.

Page 90: Schedule 383. Rent for Leased Roads and Equipment

Page 91: Schedule 384. Miscellaneous Rents

Instructions have been revised to require the reporting of the three largest items regardless of the dollar amount and minimum dollar amount increased to \$250,000.

Page 92: Schedule 396. Items in Selected Income and Retained Income Accounts for the Year

Minimum dollar amount increased to \$250,000.

Pages 99-105: Schedule 417. Inventory of Equipment

Provision has been made to report separately auxiliary locomotive units and instruction 6, page 99, revised accordingly. Column headings on pages 102 and 103, have been changed to read "Time-mileage cars" and "All other" instead of "Per diem" and "Non per diem." Column heading on pages 104 and 105 has been changed to read "All other" instead of "Non per diem" and instruction 6, page 103, revised accordingly.

Page 116: Schedule 531. Statistics of Rail-Line Operations

The reference to "per diem" cars has been changed to read "time-mileage" cars and instructions changed accordingly.

Pages 129-131: Schedule 600. Remunerations from National Railroad Passenger Corporation

New schedule to be completed by carriers participating in the National Railroad Passenger Corporation (NRPC) agreement, as required by order of the Commission, January 30, 1973, No. 35344 (Sub-No. 3).

101. IDENTITY OF RESPONDENT

Answers to the questions asked should be made in full, without reference to data returned on the corresponding page of previous reports. In case any changes of the nature referred to under inquiry 4 or 5 on this page have taken place during the year covered by this report, they should be explained in detail on page 128.

1. Give in full the exact name of the respondent. Use the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between *railroad* and *railway*. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification" (p. 132). If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision.

2. If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, give also date when such receivership or

other possession began. If a partnership, give date of formation and also names in full of present partners.

3. Give specific reference to laws of each State or Territory under which organized, citing chapter and section. Include all grants of corporate powers by the United States, or by Canada or other foreign country; also, all amendments to charter.

4. Give specific reference to special or general laws under which each consolidation or merger or combination of other form was effected, citing chapter and section. Specify Government, State, or Territory under the laws of which each company consolidated or merged or otherwise combined into the present company was organized; give reference to the charters of each and to all amendments of them.

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

1. Exact name of common carrier making this report READING COMPANY
(May 24, 1871, Excelsior Enterprise Co. Name changed on March 31, 1873 to

2. Date of incorporation National Co. Name changed December 7, 1896 to Reading Company.)

3. Under laws of what Government, State, or Territory organized? If more than one, name all. Give specific reference to each charter or 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

State of Pennsylvania - April 7, 1870. (P.L. 1870 - Page 1025)

February 18, 1871. (P.L. 1871 - Page 92)

May 24, 1871. (P.L. 1871 - Page 1089)

On November 23, 1971, Reading Company filed a petition for reorganization under Section 77 of the Bankruptcy Act in the District Court of the United States for the (Cont'd below)

4. If the respondent was formed as the result of a consolidation or merger during the year, name all constituent and all merged companies

No change

Eastern District of Pennsylvania. On December 21, 1971, the Court appointed Richardson Dilworth and Andrew L. Lewis, Jr., Trustees, and on January 24, 1972, the Trustees were duly qualified by the Court. (Mr. Dilworth died on January 23, 1974)

5. If respondent was reorganized during the year, give name of original corporation and state the occasion for the reorganization

None

6. State whether or not the respondent during the year conducted any part of its business under a name or names other than that shown in response to inquiry No. 1, above; if so, give full particulars

None

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

Not Applicable.

NOTES AND REMARKS

102. DIRECTORS

1. Give particulars of the various directors and officers of the respondent at the close of the year.

2. State in column (e) of schedule No. 102 and column (d) of schedule No. 103, the number of voting shares of the respondent, other than directors' qualifying shares, that were beneficially owned, directly or indirectly, by each director or principal general officer at the close of the year. This includes shares owned of record, shares owned through holding companies, trusts or other mediums, and shares owned but held in the names of brokers or other nominees. Insert the word "None" where applicable.

3. In schedule No. 103 give the title, name, and address of the principal general officers having system jurisdiction by departments, as follows: Executive, Legal, Fiscal and Accounting, Purchasing, Operating, and Traffic. If there are receivers, trustees, or committees, who are recognized as in the controlling management of the road or of some department of it, give also their names and titles, and the location of their offices, separately grouped and identified.

4. If the duties of an officer extend to more than one department, or if his duties are not in accordance with the customary acceptance of his given title, state briefly the facts in a footnote.

Line No.	Name of director (a)	Office address (b)	Date of beginning of term (c)	Date of expiration of term (d)	Number of voting shares actually or beneficially owned (e)	Remarks (f)
1	R. W. Brown	Rdg.Term.Phila.Pa.	5/25/71		100	
2	Sidney D. Kline	35 N.6th St.Rdg."	"		100	
3	Edward F.	301 Crescent Pkwy,	"			
4	McGinley, Jr.	Sea Girt,NJ,08750			10	
5	Charles E. Bertrand	Rdg.Term.Phila.Pa.	"		100*	
6	George J. Rafkind	2 Broadway,				
7		New York,N.Y.	"		None	
8	Walter E.	676 S.Industrial				
9	Schoenfeld	Way,Seattle,Wash.	"		100	
10	Henry J. McGinness	1212 Williamson				
11		Bldg.Cleveland,O.	"		None	
12						
13	# Shares owned of	record only.				
14						
15						
16						
17						
18						
19						
20						

21. Give the names and titles of all officers of the Board of Directors in control of the respondent at the close of the year:

Chairman of board C. E. Bertrand

Secretary (or clerk) of board A. M. Arnold

22. Name the members of the executive committee of the Board of Directors of the respondent at the close of the year (naming first the chairman), and state briefly the powers and duties of that committee: R. W. Brown, Chairman; C. E. Bertrand and

G. J. Rafkind acts in the interim of Board Meetings.

103. PRINCIPAL GENERAL OFFICERS OF CORPORATION, RECEIVER, OR TRUSTEE

Line No.	Title of general officer (a)	Department or departments over which jurisdiction is exercised (b)	Name of person holding office at close of year (c)	Number of voting shares actually or beneficially owned (d)	Office address (e)
1	Trustee	Executive	Richardson Dilworth	None	Reading Terminal,
2	Trustee	Executive	Andrew L. Lewis, Jr.	None	Phila.,Pa.,19107
3	President & Chief				
4	Exec.Officer	Executive	C. E. Bertrand	100*	"
5	Asst.to Pres.& Ch.				
6	Exec.Officer	Executive	J. E. Frick	None	"
7	Vice Pres.-Law	Law	A. W. Hesse, Jr.	11	"
8	Vice Pres.-Finance	Fiscal	J. R. Greene	5*	"
9	Vice Pres.-Traffic	Traffic	O. P. Benjamin	11*	"
10	V.P.-Oper.& Maint.	Operations	F. J. May	30	"
11	Secretary & Treas.	Organ. & Fiscal	A. M. Arnold	6*	"
12	Comptroller	Accounting	T. J. Giblin	10*	"
13	Asst.V.P.Admin.&	Executive and			
14	Pass.Service	Passenger	J. S. Warden	None	"
15	Dir.of Real Estate	Real Estate	J. P. Clark	None	"
16	Chief Engineer	Eng. & Construct.	E. C. Lawson	None	"
17	Purchasing Agent	Purch. & Stores	E. H. Follweiler	None	"
18	Asst.Comptroller	Accounting	R. A. Sutherland	None	"
19					
20	*All shares registered as joint tenants.			**Deceased January 23, 1974.	

104. RELATIONSHIP OF RESPONDENT WITH AFFILIATED COMPANIES

Enter below in the appropriate schedule, No. 104A through 104D, the names of all companies, corporate and noncorporate, which are affiliated with the respondent and submit the information requested in each schedule. Control for the purpose of these schedules shall be construed to include sole or jointly held control, whether maintained or exercised through or by reason of the method of or circumstances surrounding organization or operation, through or by common directors, officers, or stockholders a voting trust or trusts, a holding or investment company or compa-

nies, or through or by any other direct or indirect means; and to include the power to exercise control. For the purposes of these schedules, forms of control shall include the following (among others):

1. Right through ownership of securities, an agreement of some character or through some other source to name the majority of the board of directors, managers, or trustees of the controlled company.
2. Right to foreclose a first lien upon all or a major part in

value of the tangible property of the controlled company.

3. Right to secure control in consequence of advances made for construction of the operating property of the controlled company.

Right to control only in a specific respect the action of the controlled company or a lessee interest in the property of a company is not to be classed as a form of control over the lessor company.

104 A. COMPANIES CONTROLLED BY RESPONDENT

1. Enter in column (a) the names of all companies which are controlled solely or jointly by the respondent. If the respondent obtained control over a company during the year, indicate by footnote the date and manner in which control was established such as exchange of stock, exchange of assets for stock, cash purchase,

etc.

2. In column (b) indicate the principal business activity of each company listed in column (a) such as transportation, manufacturing, investments, etc.
3. In column (c) indicate the form of control exercised over companies listed in column (a).

4. In column (d) indicate the extent of the control of the respondent in the controlled company. If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.
5. In column (e) enter names of other companies, if any, that jointly control the companies listed in column (a).

Line No.	Name of Company Controlled (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)	If Jointly Controlled Name Other Parties to the Agreement (e)
1	East Pennsylvania Railroad	Rail Transportation	Stock Ownership	83%	
2	Company				
3	Eastern Real Estate Company	Sale & Purchase of Real Estate	Stock Ownership	100%	
4	The Ironston Railroad Company	Rail Transportation	Stock Ownership	50%	Lehigh Valley Railroad Co.
5	Pennsylvania-Reading Seashore	Rail Transportation	Stock Ownership	33 1/3%	Penn Central Transportation
6	Lines				Company
7	Philadelphia, Reading and	Communication	Stock Ownership	100%	
8	Pottsville Telegraph Company				
9	The Port Reading Railroad Company	Rail Transportation	Stock Ownership	100%	
10	Reading Dispatch, Inc.	Dealing in Personal Property	Stock Ownership	100%	
11	Reading Transportation Company	Truck Transportation	Stock Ownership	100%	
12	Rydal Equipment Co.	Equipment Financing	Stock Ownership	100%	
13	Trenton-Princeton Traction Company	Rail Transportation	Stock Ownership	100%	
14	Washington and Franklin Railway	Rail Transportation	Stock Ownership	100%	
15	Company				
16	The Wilmington and Northern	Rail Transportation	Stock Ownership	100%	
17	Railroad Company				
18	The Central Railroad Company of	Rail Transportation	Stock Ownership	49%	
19	New Jersey				

104 B. COMPANIES INDIRECTLY CONTROLLED BY RESPONDENT

1. Enter in column (a) the names of all companies which are controlled through intermediary companies. If control was obtained during the year, indicate by footnote the date and manner in which control was established such as exchange of stock, exchange of assets for stock, cash purchase, etc.
2. In column (b) indicate the principal business activity of the companies listed in column (a) such as transportation, manufacturing, investments, etc.
3. In column (c) indicate the form of control exercised over companies listed in column (a).
4. In column (d) indicate the extent of the control over companies listed in column (a). If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.
5. In column (e) enter the names of intermediate companies through which control is exercised over companies listed in column (a).

Line No.	Name of Company Controlled (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)	Name of Intermediary Through Which Control Exists (e)
1	Pittsburgh-Philadelphia	Truck Transportation	Stock Ownership	100%	Ambler Container Company
2	Transportation Company				
3	Ambler Container Company	General Manufacturing	Stock Ownership	100%	Eastern Real Estate Co.
4	Allentown Terminal Railroad	Rail Transportation	Stock Ownership	49%	Central Railroad Company of New Jersey
5					
6					
7					
8					
9					
10					

104 C. COMPANIES UNDER COMMON CONTROL WITH RESPONDENT

1. Enter in column (a) the names of all companies which are controlled by the same interest that control the respondent.
2. In column (b) indicate the principal business activity of the companies listed in column (a) such as transportation, manufacturing, investments, etc.
3. In column (c) indicate the form of control exercised over companies listed in column (a).
4. In column (d) indicate the extent of the control over companies listed in column (a). If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.
5. In column (e) enter the names of companies controlling those listed in column (a).

Line No.	Name of Company Controlled (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)	Name of Controlling Company or Individual (e)
1					
2					
3					
4		None			
5					
6					
7					
8					
9					
10					
11					

194 D. COMPANIES CONTROLLING RESPONDENT

1. Enter in column (a) the names of all companies controlling the respondent. Commence with the company which is most remote followed by the company immediately controlled by it. If control over the respondent or control over an intermediary through which respondent is controlled has changed during the year, indicate by footnote the date

and manner in which control was established such as exchange of stock, exchange of assets for stock, cash purchase, etc.

2. In column (b) indicate the principal business activity of the companies listed in column (a) such as transportation, manufacturing, investments, etc.

3. In column (c) indicate the form of control exercised by the company immediately controlled by it.

4. In column (d) indicate the extent of control. If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.

Line No.	Name of Controlling Company or Individual (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)
1				
2				
3		None		
4				
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198 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 April 1974
(date)

☐ No annual report to stockholders is prepared.

109. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common, \$ 50 per share; first preferred, \$ 50 per share; second preferred, \$ 50 per share; debenture stock, \$ — per share.
2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote Yes
3. Are voting rights proportional to holdings? Yes If not, state in a footnote the relation between holdings and corresponding voting rights
4. Are voting rights attached to any securities other than stock? No If so, name in a footnote each security, other than stock to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.
5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.
6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing Stock books do not close for any reason.
7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year: 2,795,291 votes, as of December 31, 1973
8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. (Date) 8,687 stockholders.
9. Give the names of the thirty security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements give, as supplemental information on page 13, the names and addresses of the thirty largest holders of the voting trust certificates and the amount of their individual holdings. If the stock book was not closed or the list of stockholders compiled within such year, show such thirty security holders as of the close of the year.
- List under Footnotes, page 8, Other Securities with Voting Power.

Line No.	Name of security holder (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED		
				Stocks		
				Common (d)	PREFERRED Second (e) First (f)	
1	John W. Sullivan	Chicago, Ill., 60630	423,689	214,133	131,467	78,089
2	John D. Mabie	Chicago, Ill., 60603	423,688	214,133	131,467	78,088
3	Thomas A. Reynolds, Jr.	Chicago, Ill., 60670	423,688	214,134	131,466	78,088
4	Polk Bros. Inc. c/o Sam Polk	Melrose Pk. Ill. 60160	116,000	39,700	48,400	27,900
5	Merrill Lynch, P.F. & S. Inc.	New York, N.Y., 10006	96,590	58,496	19,213	18,881
6	Thomson & McK. Auch. Koh. Inc.	New York, N.Y., 10004	66,216	21,319	28,747	16,150
7	Tucker, Anthony & R.L. Day	New York, N.Y., 10005	48,208	20,505	20,703	7,000
8	Schweickart & Co.	New York, N.Y., 10004	26,961	5,200	12,601	9,160
9	E.F. Hutton & Company, Inc.	New York, N.Y., 10004	25,756	19,729	5,827	200
10	Koppin, Watson Inc.	New York, N.Y., 10004	22,819	9,215	11,604	2,000
11	E. Lowitz & Co.	New York, N.Y., 10006	22,425	7,206	10,219	5,000
12	Sunshine Mining Co.	Kellogg, Idaho	20,000	—	20,000	—
13	Mesirow & Company	Chicago, Ill., 60603	18,300	8,100	2,100	8,100
14	H. Hentz & Co., Inc.	New York, N.Y., 10005	18,267	16,946	1,211	110
15	DuPont Glove Forgan, Inc.	New York, N.Y., 10005	16,241	6,007	61	10,173
16	Bache & Co., Incorporated	New York, N.Y., 10038	15,309	10,882	2,917	1,510
17	Janney Montgomery Scott, Inc.	Phila., Penn., 19103	15,300	9,500	4,900	900
18	Sydney W. Roos	New York, N.Y., 10019	13,700	4,900	4,800	4,000
19	Harris M. Fields & Mrs. Rose	B. Hills, Cal., 90210	12,290	3,100	3,695	5,495
20	Lister & Co. c/o Chem. Bank	New York, N.Y., 10008	10,700	50	7,400	3,250
21	Harris, Upham & Co., Inc.	New York, N.Y., 10005	10,029	7,698	2,231	100
22	Lloyd Fields & Mrs. Rose F.	B. Hills, Cal., 90210	9,900	3,200	3,800	2,900
23	Loeb, Rhoades & Co.	New York, N.Y., 10005	8,844	6,228	1,536	1,080
24	Reynolds Securities, Inc.	New York, N.Y., 10005	8,503	4,037	4,166	300
25	Paine, Web. Jack. & Curt. Inc.	New York, N.Y., 10005	8,449	2,809	335	5,305
26	I. William Kerman	New York, N.Y., 10019	8,000	2,500	3,300	2,200
27	Walston & Co., Inc.	New York, N.Y.,	7,726	4,820	106	2,800
28	Shearson, Hamill & Co., Inc.	New York, N.Y., 10005	6,962	3,340	2,122	1,500
29	Percy Weissman	Montreal 101, Que.	6,500	—	4,500	2,000
30	Milton Berman	New York, N.Y., 10036	6,200	3,900	1,400	900

109. VOTING POWERS AND ELECTIONS—(Continued From Page 7)

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent. 2,399,510
votes cast.

11. Give the date of such meeting. May 25, 1971

12. Give the place of such meeting. Holiday Inn, 1311 Walnut Street, Phila., Penn.

*Due to the reorganization status of Reading Company, the account with Cede & Co. was closed as of June 30, 1972. The shares shown are still in the process of transfer from the account.

FOOTNOTES

Name of Security Holder (a)	Address of Security Holder (b)	Number of Votes to Which Security Holder was Entitled (c)	Number of Votes, Classified with Respect to Securities on Which Based				Other Securities with Voting Power (g)
			Stocks				
			Common (d)	Preferred			
				Second (e)	First (f)		
Cede & Co.	New York, N.Y., 10004	430	320	110	-	None	

110. GUARANTIES AND SURETYSHIPS

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

This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than 2 years after date of issue. (Dollars in thousands)

Line No.	Names of all parties principally and primarily liable (a)	Finance Docket number, title, maturity date and concise description of agreement or obligation (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)
1	Reading Company has guaranteed, by endorsement, the payment of			
2	the principal of and the interest on the following obligations:			
3	The Del. & B.B. R.R.Co.	F.D.18983-1st Mtge.Con.11 1/2 Bds.8/1/85	1 175	Sole
4	The N.Penn.R.R.Co.	F.D.-7165-Fund Loan 4% Bonds,11/1/78	408	"
5	The N.Penn.R.R.Co.	F.D.17946-Mort.9.00% Bonds, 12/1/1975	2 275	"
6	The Port Reading R.R.Co.	FD-19148-1st Mtge.3-3/4% Bds.1/1/1981	500	"
7	The Wilm. & Nor.R.R.Co.	FD-6484-1st Mtge.4-1/2% Bds.12/1/1977	354	"
8	The Wilm. & Nor.R.R.Co.	FD-9612-Gen.Mtge.,5% Bonds, 8/1/1982	462	"
9				
10	Note: At the time Reading Company endorsed its guaranty on the			
11	above issues of bonds, it was the owner of the entire capital			
12	stock, or a majority interest therein, or operated the			
13	properties of the Companies named under long term leases.			
14				
15	Trailer Train Company	Agreement to advance payments of		
16		principal and interest on		
17		outstanding obligations.	24 421	Joint & Several
18				
19	Reading Company, as Lessee in underlying Leases of Railroad			
20	Equipment, is a party to the following Conditional Sale Agree-			
21	ments as Guarantor of all sums payable by the Vendee(Lessor):			
22	W.J.C. Leasing Corp.	Cond.Sale Agreement, 7.25%, 2/27/82	472	Sole
23	W.J.C. IV Equip. Corp.	" 6.50%, 7/31/82	872	"
24	W.J.C. IV Equip. Corp.	" 6.50%, 10/24/82	808	"
25	Del.Valley Equip.Co.	" 7.75%, 2/15/83	811	"
26	C.I.T. Corporation	" 8.0%, 3/01/84	2 339	"
27	Exton Leasing Corp.	" 8.125%, 9/01/84	2 896	"
28	Provident Bank,Cinci.,O.	" 9.0%, 9/15/84	1 339	"
29	C.I.T. Corporation	" 10.75%, 8/01/85	2 076	"
30	Segar Four Leasing Co.	" 11.0%, 1/01/87	4 686	"
31	Ardleigh Leasing Corp.	" 10.5%, 3/01/86	1 342	"
32	S.S.R. Leasing Corp.	" 10.5%, 7/01/86	828	"
33	Unilease No. 8, Inc.	" 10.0%, 1/01/87	1 460	"
34	First Penn.Bk.as Trustee	" 9.75% & 10.25%, 7/01/87	4 029	"
35	First Penn.Bk.as Trustee	" 10.25%, 10/01/88	4 298	"
36				
37				
38				

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

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

Line No.	Finance Docket number, title, maturity date and concise description of agreement or obligation (a)	Names of all guarantors and sureties (b)	Amount of contingent liability of guarantors (c)	Sole or joint contingent liability (d)
1			\$	
2	None			
3				
4				
5				
6				
7				
8				
9				

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 (c) should be res-

tated to conform with the accounting requirements followed in column (b). The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at beginning of year (c)
	CURRENT ASSETS		\$	\$
1	(701) Cash		1 232	203
2	(702) Temporary cash investments (p. 15)		5 000	6 000
3	(703) Special deposits (p. 15)		68	25
4	(704) Loans and notes receivable (p. 15)			
5	(705) Traffic, car service and other balances—Dr.			
6	(706) Net balance receivable from agents and conductors		7 126	6 059
7	(707) Miscellaneous accounts receivable		1 941	2 113
8	(708) Interest and dividends receivable		108	93
9	(709) Accrued accounts receivable (p. 15)		5 756	5 575
10	(710) Working fund advances		52	51
11	(711) Prepayments (p. 15)		1 131	780
12	(712) Material and supplies		4 832	4 387
13	(713) Other current assets (p. 15)		197	151
14	Total current assets		27 443	25 437
	SPECIAL FUNDS			
		(a1) Total book assets at close of year	(a2) Respondent's own issues included in (a1)	
15	(715) Sinking funds (pp. 16 and 17)	\$ 4,906	None	4 906
16	(716) Capital and other reserve funds (pp. 16 and 17)			2 873
17	(717) Insurance and other funds (pp. 16 and 17)	122	None	122
18	Total special funds		5 028	2 933
	INVESTMENTS			
19	(721) Investments in affiliated companies (pp. 20-23)		19 083	19 298
20	(722) Other investments (pp. 24-27)		4 609	4 611
21	(723) Reserve for adjustment of investment in securities—Credit (p. 19, Instruction 9)		7 195	7 195
22	Total investments (accounts 721, 722 and 723)		16 497	16 714
	PROPERTIES			
23	(731) Road and equipment property: Road		190 288	190 092
24	Equipment		139 488	115 463
25	General expenditures		7 657	7 698
26	Other elements of investment		13 416	15 415
27	Construction work in progress		384	338
28	Total (pp. 30-32)		321 233	329 006
29	(732) Improvements on leased property: Road		27 660	27 829
30	Equipment		671	632
31	General expenditures		(167)	(162)
32	Total (pp. 30-32)		28 164	28 299
33	Total transportation property (accounts 731 and 732)		349 397	357 305
34	(735) Accrued depreciation—Road and equipment (pp. 36 and 38)		(100 128)	(100 075)
35	(736) Amortization of defense projects—Road and Equipment (p. 39)		(536)	(568)
36	Recorded depreciation and amortization (accounts 735 and 736)		(100 664)	(100 643)
37	Total transportation property less recorded depreciation and amortization (line 33 less line 36)		248 733	256 662
38	(737) Miscellaneous physical property (pp. 44 and 45)		14 276	14 599
39	(738) Accrued depreciation - Miscellaneous physical property (pp. 44 and 45)		(5 481)	(5 395)
40	Miscellaneous physical property less recorded depreciation (account 737 less 738)		8 795	9 204
41	Total properties less recorded depreciation and amortization (line 37 plus line 40)		257 528	265 866
	OTHER ASSETS AND DEFERRED CHARGES			
42	(741) Other assets (p. 46)		6 994	4 585
43	(742) Unamortized discount on long-term debt		97	111
44	(743) Other deferred charges (p. 46)		1 282	1 488
45	Total other assets and deferred charges		8 373	6 184
46	TOTAL ASSETS		314 869	317 134

NOTE—See page 12 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

2001. 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 (c) should be restricted to conform with the accounting requirements followed in

column (b). The entries in short column (a1) should reflect total book liability at close of year. The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at beginning of year (c)
CURRENT LIABILITIES				
47	(751) Loans and notes payable (p. 55)		\$	\$
48	(752) Traffic, car service and other balances—Cr.		1 902	2 586
49	(753) Audited accounts and wages payable		256	110
50	(754) Miscellaneous accounts payable		971	1 465
51	(755) Interest matured unpaid		14	16
52	(756) Dividends matured unpaid			
53	(757) Unmatured interest accrued		162	195
54	(758) Unmatured dividends declared			
55	(759) Accrued accounts payable (p. 55)		22 097	22 559
56	(760) Federal income taxes accrued (p. 56)			
57	(761) Other taxes accrued (p. 56)		1 493	982
58	(763) Other current liabilities (p. 55)		4 928	4 576
59	Total current liabilities (exclusive of long-term debt due within one year)		31 823	32 489
LONG-TERM DEBT DUE WITHIN ONE YEAR				
60	(764) Equipment obligations and other debt (pp. 48-51)	(a1) Total issued \$ 2,111	(a2) Held by or for respondent 1	2 111
LONG-TERM DEBT DUE AFTER ONE YEAR				
61	(765) Funded debt unmatured	(a1) Total issued \$37,521	(a2) Held by or for respondent \$37,500	21
62	(766) Equipment obligations	7,751	—	9 457
63	(767) Receivers' and Trustees' securities (pp. 48-51)	6,037		6 037
64	(768) Debt in default	77,276	8	82 070
65	(769) Amounts payable to affiliated companies (p. 54)		904	1 044
66	Total long-term debt due after one year		91 981	92 605
RESERVES				
67	(771) Pension and welfare reserves (p. 57)			
68	(772) Insurance reserves (p. 57)			
69	(774) Casualty and other reserves (p. 57)		4 224	2 999
70	Total reserves		4 224	2 999
OTHER LIABILITIES AND DEFERRED CREDITS				
71	(781) Interest in default (p. 50)		7 264	4 930
72	(782) Other liabilities (p. 57)		32 251	21 154
73	(783) Unamortized premium on long-term debt		80	84
74	(784) Other deferred credits (p. 57)		1 302	2 812
75	(785) Accrued depreciation—Leased property (p. 37)		14 033	13 408
76	Total other liabilities and deferred credits		54 930	42 388
SHAREHOLDERS' EQUITY				
<i>Capital stock (Par or stated value)</i>				
77	(791) Capital stock issued: Common stock (p. 59)	(a1) Total issued \$ 70,000	(a2) Held by or for company \$ 11	69 989
78	Preferred stock (p. 59)	70,000	38	69 962
79	Total	140,000	49	139 951
80	(792) Stock liability for conversion (p. 60)			
81	(793) Discount on capital stock			
82	Total capital stock		139 951	139 951
<i>Capital surplus</i>				
83	(794) Premiums and assessments on capital stock (p. 61)			
84	(795) Paid-in surplus (p. 61)			
85	(796) Other capital surplus (p. 61)		794	794
86	Total capital surplus		794	794
<i>Retained income</i>				
87	(797) Retained income—Appropriated (p. 61)			
88	(798) Retained income—Unappropriated (p. 68)		(10 945)	3 757
89	Total retained income		(10 945)	3 757
90	Total shareholders' equity		129 800	144 502
91	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		314 869	317 134

NOTE: See page 12 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

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

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. \$ 1,520,600

(b) Estimated accumulated savings in Federal income taxes resulting from computing book depreciation under Commission rules and computing tax depreciation using the items listed below \$ 59,400

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

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

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

(c)(i) Estimated accumulated net income tax reduction utilized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962, as amended \$ None

(ii) If carrier elected, as provided in the Revenue Act of 1971, to account for the investment tax credit under the deferral method, indicate the total deferred investment tax credit in account 784, other deferred credits, at beginning of year \$ None

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

Deduct deferred portion of prior year's investment tax credit used to reduce current year's tax accrual \$

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

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

(d) Estimated accumulated net reduction in Federal income taxes because of accelerated amortization of certain rolling stock since December 31, 1969, under provisions of Section 184 of the Internal Revenue Code \$ None

(e) Estimated accumulated net reduction in Federal income taxes because of amortization of certain rights-of-way investments 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
			\$ None

Continued on following page

200. COMPARATIVE GENERAL BALANCE SHEET-EXPLANATORY NOTES—Continued

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:

Schedule 200L - Account 774 includes \$313,000 for incentive per diem for service months May to August 1973.

Item	Amount in dispute	As recorded on books		Amount not recorded
		Debit	Credit	
Per diem receivable	\$ 19	743	784	\$ None
Per diem payable				
Net amount	\$ 19	X X X X X X X X	X X X X X X X X	\$ None

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

5. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made \$ 37,350

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

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund. \$ 6,840

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

(i) If funding is by insurance, give name of insuring company. Not Insured

(ii) If funding is by trust agreement, list trustee(s). The First Pennsylvania Banking & Trust Co., Trustee

Date of trust agreement or latest amendment February 1, 1954

If respondent is affiliated in any way with the trustee(s), explain affiliation: No

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement. Reading Transportation Company (match payroll contribution)

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

Yes ☐ No ☒

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

(ii) Are voting rights attached to any securities held by the pension plan? Specify. Yes ☒ No ☐ If yes, who determines how stock is voted? The First Pennsylvania Banking and Trust Co., Trustee

(1) None.

(2) None.

(3) None.

* Company matches monthly contribution by employees; this is charged to Account 457. An annual contribution is made account interest on normal cost and unfunded actuarial liability. This is consistent with prior years.

Footnote from Schedule 200A:

Includes Other Elements of Investment ... \$(1,529,000)

Construction Work in Progress 20,000

NOTES AND REMARKS

201. ITEMS IN SELECTED CURRENT ASSET ACCOUNTS

Give brief description for each item or class of items of like description in accounts Nos. 702, "Temporary cash investments"; 703, "Special deposits"; 704, "Loans and notes receivable"; 709, "Accrued accounts receivable"; 711, "Prepayments"; and 713, "Other current assets," at the close of the year. Show description of the temporary cash investments, the names of depositaries for the special deposits, the character of loans and notes, with name of debtor (or class of debtors), dates of issue and maturity, and appropriate description for each class of accrued accounts receivable and for the other current assets. Show

the three largest items in each account regardless of the dollar amount, and all other items (or the aggregate of a class of items of like description, amounting to less than \$250,000) may be combined into a single entry designated "Other items, each less than \$250,000". The entries for each account shall be listed and the account number and the total for each account shall be shown corresponding to the amounts in schedule 200A. 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.	Account No. (a)	Item (b)	(Dollars in Thousands)	Amount (c)
1	702	Repurchase Agreements - Philadelphia National Bank		\$ 3 000
2		Commercial Paper - Philadelphia National Capital Corporation		2 000
3				
4		Total Account 702		5 000
5				
6	703	First and Refunding Series "D" Interest Matured Deposited with		
7		Morgan Guaranty Trust Company		8
8		U.S. Savings Bond Fund - Provident National Bank		60
9				
10		Total Account 703		68
11				
12	709	Estimated Bills Receivable - Recurring		716
13		Outside Work in Suspense		310
14		Traffic and Car Service - Freight		3 960
15		Other Items Each Less Than \$250,000		770
16				
17		Total Account 709		5 756
18				
19	711	Insurance Premiums		416
20		Lease of 20 Locomotives Lease Financing Corporation		173
21		Lease of 30 Diesel Locomotives-First Penna. Banking & Trust Co.		163
22		Other Items Each Less Than \$250,000		379
23				
24		Total Account 711		1 131
25				
26	713	Advances Local and Interline Forwarded Traffic		58
27		Estimated Salvage in Suspense - Track Retirements - 1973		49
28		Advances - Amarada Hess Corporation		34
29		Other Items Each Less Than \$250,000		56
30				
31		Total Account 713		197
32				
33				
34				
35				
36				
37				

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

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

Except for deposits held by trustees for proceeds from sale of mortgaged properties, unspent proceeds from sale of equipment obligations, or the value of cars destroyed pledged under equipment financing obligations, which may be reported in total for each category, the designation of the individual fund as carried in the respondent's records should be

entered in Column (b). The entry should indicate the kind of fund, such as sinking, capital, property insurance, pension or relief; the rate of interest, if any; and the date of maturity.

Show the three largest funds in each account, and funds earmarked incentive per diem, regardless of the dollar amount, and all other funds where the amount reportable in Columns (d), (e), (f) or (g) is \$250,000, or more. Each fund amounting to less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000".

Line No.	Account No.	Name, kind, and purpose of fund	Name of trustee or depositary
	(a)	(b)	(c)
1	716	<u>Mortgage Property Sold:</u>	
2		Reading Co. First and Refunding	Manufacturers Hanover Trust Company
3		Series "D" Mortgage.	Beneficial Mutual Savings Bank
4			Industrial Valley Bank
5			Philadelphia Savings Fund Society
6			Commonwealth Land Title Ins. Co.
7			
8		Sale of Equipment	Industrial Valley Bank
9			
10	716	<u>Deposit Account Sale of Property:</u>	
11		Delaware and Bound Brook Railroad	First Pennsylvania Bank & Trust Co.
12		North Pennsylvania Railroad Co.	First Pennsylvania Bank & Trust Co.
13			Commonwealth Land Title Insurance Co.
14		Wilmington & Northern Railroad Co.	First Pennsylvania Bank & Trust Co.
15			
16			
17	717	<u>Insurance Funds:</u>	
18		Workmen's Compensation Act-Penna.	First Pennsylvania Bank & Trust Co.
19			
20	717	<u>Executive Deferred Compensation -</u>	
21		Reserve Fund	Beneficial Mutual Savings Bank
22			
23	717	<u>Security Bond Deposit-1970 Capital</u>	New Jersey Realty Title Insurance
24		Stock Tax	Company
25			
26		B-P Oil Security Deposit	B-P Oil Company-Peoples Trust Company
27			of New Jersey
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			

¹Includes income of \$ None earned on earmarked incentive per diem funds.

204. SINKING, CAPITAL, INSURANCE, AND OTHER RESERVE FUNDS—Concluded

Insert totals separately for each account. Such totals of columns (g) and (i) should be the same as those stated in short columns (a₁) and (a₂), respectively, in the comparative general balance sheet statement. Entries in column (g) should be the sums of corresponding entries in columns (d) and (e), less those shown in column (f), and the sum of entries in columns (h), (i), and (j) should equal those in column (g).

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

column (e).

Funds representing net credit balances of earmarked incentive per diem should be reported separately for each year. The amount of income earned on these funds should be reported in footnote to this schedule.¹ Wholly owned Canadian subsidiary lines should subdivide the earmarked funds between monies received from Canadian parent companies as a result of incentive charges and the carrier's own credit balances.

(Dollars in thousands)

Balance at beginning of year—Book value (d)	Additions during the year—Book value (e)	Withdrawals during the year—Book value (f)	Balance at close of year—Book value (g)	Assets in Funds at Close of Year			Line No.
				Cash (h)	Book value Securities issued or assumed by respondent (i)	Other securities and invested assets (j)	
\$							
2 003	27 795	25 931	3 867	5		3 862	1
179	64	241	2	2			2
	518	318	200			200	3
178	133	302	9	9			4
	2	2					5
							6
276	3 292	2 991	577			577	7
							8
							9
5			5	5			10
94	196	259	31	31			11
138		138					12
	424	209	215	6		209	13
2 873	32 424	30 391	4 906	58		4 848	14
							15
							16
52	100	101	51	1		50	17
							18
3			8	8			19
							20
	8		8	8			21
							22
							23
	55		55			55	24
60	163	101	122	17		105	25
							26
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							39
							40
							41

211E. DEPRECIATION RESERVE—ROAD AND EQUIPMENT LEASED FROM OTHERS

Current Settlement for Depreciation Between Lessees and Lessors

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 includible 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.

(Dollars in thousands)

Line No.	Account (a)	Balance at beginning of year (b)		CREDITS TO RESERVE During the Year				Balance at close of year (g)	
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		\$		\$	\$	\$	\$	\$	
	ROAD								
1	(1) Engineering			3 690			2 287		
2	(2-1/2) Other right-of-way expenditures								
3	(3) Grading			1 266			408		
4	(5) Tunnels and subways								
5	(6) Bridges, trestles, and culverts			25 713			25 801		
6	(7) Elevated structures								
7	(13) Fences, snow sheds, and signs			512					
8	(16) Station and office buildings			5 896			4 657		
9	(17) Roadway buildings			262			148		
10	(18) Water stations			115					
11	(19) Fuel stations			267			117		
12	(20) Shops and enginehouses			4 094			1 456		
13	(21) Grain elevators								
14	(22) Storage warehouses								
15	(23) Wharves and docks			3 649			3 970		
16	(24) Coal and ore wharves			32 022			14 360		
17	(25) TOFC/COFC terminals			3 934			1 335		
18	(26) Communication systems			2 435			821		
19	(27) Signals and interlockers			6 595			6 127		
20	(29) Power plants			1 316			449		
21	(31) Power-transmission systems			3 091			1 498		
22	(35) Miscellaneous structures			3 891			1 567		
23	(37) Roadway machines								
24	(39) Public improvements—Construction			2 908			3 447		
25	(44) Shop Machinery*			1 161					
26	(45) Power-plant machinery*			5 109			2 422		
27	All other road accounts								
28	Total road	None		107 926	None	None	70 870	None	
	EQUIPMENT								
29	(52) Locomotives								
30	(53) Freight-train cars								
31	(54) Passenger-train cars								
32	(55) Highway revenue equipment								
33	(56) Floating equipment								
34	(57) Work equipment								
35	(58) Miscellaneous equipment								
36	Total equipment	None		None	None	None	None	None	
37	GRAND TOTAL	None		107 926	None	None	70 870	None	

*Chargeable to account 305.

The respondent settles with the lessors through Balance Sheet Account 721 - Investments in Affiliated Companies and 769 - Amounts Payable to Affiliated Companies by charging operating expenses with figures shown in Column (c) which are determined in accordance with the requirements of the Interstate Commerce Commission, with offsetting credit to Account 769 for the Port Reading Railroad Company and to Account 721 for the Wilmington and Northern Railroad Company and by adjusting these figures to the basis of the depreciation accruals determined in accordance with the requirements of the Bureau of Internal Revenue which are shown in Column (f) by charging Account 721 for the Wilmington and Northern Railroad and charging Account 769 for the Port Reading Railroad Company with offsetting credit to Expense Accounts, Maintenance of Way and Structures - 266-1 - Road Property Depreciation, Leased from Others and Maintenance of Equipment - 305-1 - Shop and Power Plant Machinery Depreciation, Leased from Others.

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 205 AND 206

1. Schedules 205 and 206 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of affiliated and nonaffiliated companies held by respondent at close of year specifically as investments including obligations of the United States, of a State or local government, or of an individual, so held; investments made, disposed of, or written down during the year; and dividends and interest credited to income. They should exclude securities issued or assumed by respondent. For definition of affiliated companies, see the rules governing account No. 721, "Investments in affiliated companies," in the Uniform System of Accounts for Railroad Companies.

2. These investments should be subdivided to show the book value pledged, unpledged, and held in fund accounts. Under "pledged" include the book 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 book 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. The kinds of industry represented by respondent's investments in the securities of other companies should be shown by symbol opposite the names of the issuing corporations, the symbols and industrial classifications to be as follows:

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

6. 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, express service and facilities, electric railways, highway motor vehicles, steamboats and other marine transportation equipment, pipe lines (other than those for transportation of water), and other instrumentalities devoted to the transportation of persons or property for hire. Telegraph and telephone companies are not meant to be included.

7. 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.

8. 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.

9. Any balance in account 723, Reserve for adjustment of investment in securities - Credit, shall be disclosed by footnote to the securities against which such reserves were established.

10. Show dollars in thousands.

NOTES AND REMARKS

Lien references and footnotes applicable to Schedule 206:

P1 Pledged with the Manufacturers Hanover Trust Company, Trustee, for Reading Company First and Refunding Mortgage, Series "D" and "E".

* Items included in Reserve for Adjustment of Investment in Securities-(Account 723).

⊙ Dates not available.

205. INVESTMENTS IN AFFILIATED COMPANIES

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

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

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

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

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

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

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and description of security held; also lien reference if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR	
						Book Value of Amount Held at Close of Year	
						Pledged	Unpledged
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
P1	716	B-1	VII	Wilm. & Northern R.R. Co. 1st Mtge.	Due % \$ 12-1-77	\$	
	721	A-1	VII	Central R.R. Co. of N.J. - Common	49		5 432
P1		A-1	VII	East Penna. R.R. Co. - Common	83	1 993	
P1		A-1	VII	Ironton R.R. - Common	50J	750	
		A-1	VII	Penna. - Reading S.L. - Common	33J		325
		A-1	VII	Penna. - Reading S.L. - Preferred	33J		333
P1		A-1	VII	Port Reading R.R. - Common	100	2 000	
P1		A-1	VII	Pullman Company - Common (1)	J		
		A-1	VII	Reading Transp. Co. - Common	100		2 100
		A-1	VII	Trailer Train Co. - Common	2J		150
P1		A-1	VII	Trenton-Princeton Tr. Co. - Common (1)	100		
P1		A-1	VII	Wash. & Franklin Rwy. Co. - Common	100	150	
P1		A-1	VII	Wilm. & Northern R.R. Co. - Common	100	1 259	
				Total A-1		6 152	8 340
P1		A-3	VI	Eastern Real Estate Co. - Common	100	1	
P1		A-3	VII	Phila., Rdg. & Potts. Tel. Co. - Common	100	20	
P1		A-3	X	Reading Dispatch Inc. - Common	100	1	
P1		A-3	X	Rydal Equipment Co. - Common	100	1	
				Total A-3		23	
				Total A		6 175	8 340
P1		B-1	VII	Allentown Term. R.R. Co. - 1st Mtge.	J 7-1-74	238	
P1		B-1	VII	Central R.R. Co. of N.J. - Genl. Mtge.	7-1-87	170	
P1		B-1	VII	Pt. Reading R.R. Co. - 1st Mtge.	1-1-81	498	
P1		B-1	VII	Wilm. & Nor. R.R. Co. - 1st Mtge.	12-1-77	225	
P1		B-1	VII	Wilm. & Nor. R.R. Co. - Genl. Mtge.	8-1-82	464	
P1		B-1	VII	Wilm. & Nor. R.R. Co. - Deb. on Demand		62	
				Total B		1 657	
		D-1	VII	Trailer Train Co. - Unsecured Note	4-17-97		88
P1		D-1	VII	Railway Exp. Agency - Unsecured Note	12-31-73	347	
				Total D		347	88
		E-1	VII	East. Pa. R.R. Co. A/C Perm. Impts.	83		2 113
		E-1	VII	Penna. - Reading S.L. - Advances (1)	33J		
		E-1	VII	Trenton-Princeton Tr. Co. - Advances (1)	100		
		E-1	VII	Wilm. & Northern R.R. Co. - Advances	100		
				Total E-1			2 113
		E-3	X	Rydal Equip. Co.	100		50
		E-3	VI	Eastern Real Estate	100		1
		E-3	VII	Phila., Rdg. & Potts. Tel. Co.	100		312
				Total E-3			363
				Total E			2 476
				Total Account 721		8 179	10 904

(1) Less than \$1,000.

For Lien Reference and Footnote, see Page 28.

205. INVESTMENTS IN AFFILIATED COMPANIES—Continued

6. If any of the companies included in this schedule are controlled by respondent, the percent of control should be given in column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.

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

8. Particulars of investments made, disposed of, or written down during the year should be given in columns (j) to (h) inclusive. If the cost of any investment made during the year differs from the book value reported

ed in column (j), explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein. If the consideration given or received for such investments was other than cash, describe the transaction in a footnote. Identify all entries in column (k), which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

9. This schedule should not include securities issued or assumed by respondent. (Dollars in Thousands)

INVESTMENTS AT CLOSE OF YEAR				Book value of investments made during year (j)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR				DIVIDENDS OR INTEREST DURING YEAR		Line No.	
Book Value of Amount Held at Close of Year		Total book value (i)	Book value (k)		Selling price (l)	Rate (m)	Amount credited to income (n)					
In sinking, insurance, and other funds (h)												
\$	165	\$	165	\$		\$		\$	4 1/2%	\$	7	1
												2
			5 432*									3
			1 993									4
			750*									5
			325*									6
			333*									7
			2 000									8
												9
			2 100									10
			150									11
												12
			150						5		8	13
			1 259									14
			14 492								8	15
												16
			1									17
			20									18
			1									19
			1									20
			23									21
			14 515								8	22
												23
			238						4 1/2		11	24
			170*						3 1/4			25
			498			257		258	3 3/4		28	26
			225						4 1/2		9	27
			464						5		21	28
			62						5		3	29
			1 657			257		258			72	30
												31
			88						6 1/2		6	32
			347*						5			33
			435								6	34
												35
			2 113		51		3					36
												37
					8		25					38
			2 113		59		28					39
			50									40
			1									41
			312		11							42
			363		11							43
			2 476		70		28					44
			19 083		70		285		258		86	45
												46

* See Footnote - Page 28.

205. INVESTMENTS IN AFFILIATED COMPANIES—Continued

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and description of security held; also lien reference, if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR		
						Book Value of Amount Held at Close of Year		
						Pledged	Unpledged	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	
					%	\$	\$	
47								
48								
49								
50								
51								
52								
53								
54								
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56								
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62				None				
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205. INVESTMENTS IN AFFILIATED COMPANIES—Concluded

INVESTMENTS AT CLOSE OF YEAR				Book value of investments made during year (j)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR				DIVIDENDS OR INTEREST DURING YEAR		Line No.	
Book Value of Amount Held at Close of Year					Book value		Selling price		Rate	Amount credited to income		
In sinking, insurance, and other funds (h)		Total book value (i)			(k)		(l)		(m)	(n)		
\$		\$		\$		\$		\$	%	\$		
												47
												48
												49
												50
												51
												52
												53
												54
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												58
												59
												60
												61
						None						62
												63
												64
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												97
												98
												99

None

206. OTHER INVESTMENTS

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of others than affiliated companies, included in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; 722, "Other investments"; and 717, "Insurance and other funds." Investments included in accounts Nos. 715, 716 and 717 held by trustees in lieu of cash deposits required under the governing instrument are not to be reported.

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

(c). Investment in U. S. Treasury obligations may be reported as one item.

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

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

5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designa-

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company or government and description of security held; also lien reference, if any	INVESTMENTS AT CLOSE OF YEAR	
					Book Value of Amount Held at Close of Year	
					Pledged (e)	Unpledged (f)
(a)	(b)	(c)	(d)			
P1 1	722	A-1	VII	Balt. & Cumb. Val. R.R. Ext. Co. - Common	\$ 118	\$
P1 2		A-1	VII	Del. & Bound Brook R.R. Co. - Common (1)		
P1 3		A-1	VII	Lehigh & Hudson River Ry. Co. - Common	631	
P1 4		A-1	VII	North Penna. R.R. Co. - Common	2 886	
P1 5		A-1	VII	Phila. Belt Line R.R. Co. - Preferred none	78	
P1 6		A-1	VII	Phila. Gtn. & Norristown R.R. - Common none	151	
P1 7		A-1	VII	West. Jersey & Seashore R.R. - Common	299	
8				Total A	4 163	
9						
10						
11						
12						
P1 13		B-1	VII	No. Penna. R.R. Funding Loan - 11-1-78	410	
14		B-1	VII	Del. & Bound Brook R.R. - Deb. Bond		35
15				Total B-1	410	35
16						
17		B-3	X	Woodland C.C. - Club Membership (1)		
18				Total B-3		
19				Total B	410	35
20						
21	722	C-3	X	Churchill Valley C.C. - Club Membership		1
22		C-3	X	Ellicott Club Assn. - Membership 0 (1)		
23		C-3	X	Phila. Commercial Exch. - Membership 0 (1)		
24				Total C		1
25						
26						
27		D-3	II	Nyce Industries - Unsecured Note		
28				Total D		
29				Total Account 722	4 573	36
30						
31	717	B-3	IX	U.S. Treasury Bonds 8-15-76		
32		B-3	VI	Certificate of Deposit		
33				Total Account 717		
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						

(1) Less than \$1,000.

For Lien Reference and Footnote, See Page 19.

206. OTHER INVESTMENTS—Continued

tion mature serially, the date in column (d) may be reported as "Serially 19 ____ to 19 ____." In making entries in this column, abbreviations in common use in standard financial publications may be used where necessary on account of limited space.

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

7. Particulars of investments made, disposed of or written down during the year should be given in columns (j) and (k). If the cost of any investment made during the year differs from the book value reported in

column (i), explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein. If the consideration given or received for such investments was other than cash, describe the transaction in the footnote. Identify all entries in column (j) which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

(Dollars in Thousands)

INVESTMENTS AT CLOSE OF YEAR				Book value of investments made during year (i)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR				DIVIDENDS OR INTEREST DURING YEAR		Line No.	
Book Value of Amount Held at Close of Year					Book value (j)		Selling price (k)		Rate (l)	Amount credited to income (m)		
In sinking, insurance, and other funds (g)	Total book value (h)											
\$		\$	118	\$		\$		\$	%	\$	6	1
			631						5			2
		2	886*									3
			78						5		4	4
			151						12		8	5
			299						6		15	6
		4	163								33	7
												8
												9
												10
												11
			410						4		16	12
			35									13
			445								16	14
												15
									2			16
												17
			445								16	18
												19
			1									20
						1		1				21
												22
			1			1		1				23
												24
						1		1				25
						1		1				26
						1		1				27
		4	609			2		2			49	28
												29
	50		50		50	50		50	6½		2	30
	55		55		55				5		1	31
	105		105		105	50		50			3	32
												33
												34
												35
												36
												37
												38
												39
												40
												41
												42
												43
												44
												45
												46

206. OTHER INVESTMENTS—Continued

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company or government and description of security held; also lien reference, if any	INVESTMENTS AT CLOSE OF YEAR			
					Book Value of Amount at Close of Year			
					Pledged		Unpledged	
	(a)	(b)	(c)	(d)	(e)		(f)	
47					\$		\$	
48								
49								
50								
51								
52								
53								
54								
55								
56								
57								
58								
59								
60								
61								
62								
63								
64								
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66								
67						None		
68								
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206. OTHER INVESTMENTS—Concluded

INVESTMENTS MADE DURING YEAR				Book value of investments made during year (i)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR				DIVIDENDS OR INTEREST DURING YEAR		Line No.
Book Value / Amount Held at Close of Year					Book value		Selling price		Rate (l)	Amount credited to income (m)	
In sinking, insurance, and other funds (g)	Total book value (h)				Book value (j)		Selling price (k)				
\$		\$		\$		\$		%	\$		
											47
											48
											49
											50
											51
											52
											53
											54
											55
											56
											57
											58
											59
											60
											61
											62
											63
											64
											65
						None					66
											67
											68
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											98
											99

209. 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.

Line No.	Class No.	Name of issuing company and security or other intangible thing in which investment is made	Total book value of investments at close of year	Book value of investments made during year
	(a)	(b)	(c)	(d)
1	A 1	Reading Company	\$	\$
2		Common Stock	1	
3		First Preferred Stock	145	
4		Second Preferred Stock	5	
5	A 1	East Pennsylvania Railroad Co. - Stock	12	
6	A 1	Pittsburgh-Phila. Transp. Co.-Common Stock	800	
7		Total Class A 1	963	
8				
9	A 3	Ambler Container Corp. - Common Stock	1	
10		Total Class A	964	
11				
12	B 3	Greater Reading Development Fund		
13		Debenture Bonds	46	
14				
15	E 1	Pittsburgh-Phila. Transp. Co.-Advances	39	
16				
17	E 3	Ambler Container Corp. - Advances	50	
18		Total Class E	89	
19				
20				
21				
22				
23				
24				
25				

NOTES AND REMARKS

Lien references and footnotes applicable to Schedule 205:

P1 Pledged with the Manufacturers Hanover Trust Company, Trustee, for Reading Company First and Refunding Mortgage, Series "D" and "E".

J Joint Control:

Ironton Railroad Company -Lehigh Valley RR.Co.- 50% - Reading Company - 50%
 Penna.-Rdg.Seashore Lines-Pennsylvania RR.Co. - 61% - Reading Company - 33%
 Pullman Company -Reading Company -0.1% - Various Companies - 99.9%
 Trailer Train Company -Reading Company -2.4% - Various Companies - 97.6%
 Allentown Terminal R.R. -By Agreement dated July 10, 1889, the property of The Allentown Terminal Railroad Co. is leased jointly to Reading Company and The Central Railroad Company of New Jersey, with provision that Lehigh Coal and Navigation Company succeeds to The Central Railroad Company of New Jersey upon latter's cessation of operation of Lehigh and Susquehanna Railroad. Jersey Central owns 50% of the stock of the Terminal Company and Reading Company owns 49% of the stock of Jersey Central.

(Cont'd on Page 19)

209. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING CARRIER AND NONCARRIER SUBSIDIARIES—Continued

2. This schedule should include all securities, open account advances, and other intangible property owned or controlled by nonreporting companies shown in schedules 104A, 104B, and 205, as well as those owned or controlled by any other organization or individual whose action respondent is able to determine.

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

4. Column (a), Class No., should show classifications as provided in instructions 3 and 4, page 19.

(Dollars in thousands)

INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR				Names of subsidiaries in connection with things owned or controlled through them	Line No.
Book value (e)		Selling price (f)			
\$		\$		Philadelphia, Reading and Pottsville Telegraph Company	1
					2
					3
					4
				Phila.,Reading and Pottsville Telegraph Company	5
				Ambler Container Corporation	6
					7
					8
				Eastern Real Estate Company	9
					10
					11
					12
				Phila.,Reading and Pottsville Telegraph Company	13
					14
				Ambler Container Corporation	15
					16
				Rydal Equipment Company	17
					18
					19
					20
					21
					22
					23
					24
					25

NOTES AND REMARKS

211. ROAD AND EQUIPMENT PROPERTY (See Instructions page 32)

Line No.	Account (a)	(Dollars in thousands) (b)	Balance at beginning of year (c)	Expenditures during the year for original road and equipment, and road extensions (d)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (e)
1	(1) Engineering _____	\$ 6,572	\$	\$	
2	(2) Land for transportation purposes _____	25,110			
3	(2 1/2) Other right-of-way expenditures _____	170			
4	(3) Grading _____	28,400			
5	(5) Tunnels and subways _____	2,164			
6	(6) Bridges, trestles, and culverts _____	30,181			
7	(7) Elevated structures _____	415			
8	(8) Ties _____	6,400			
9	(9) Rails _____	16,488			
10	(10) Other track material _____	10,944			
11	(11) Ballast _____	6,475			
12	(12) Track laying and surfacing _____	7,542			
13	(13) Fences, snowsheds, and signs _____	256			
14	(16) Station and office buildings _____	14,352			
15	(17) Roadway buildings _____	132			
16	(18) Water stations _____	(253)			
17	(19) Fuel stations _____	6			
18	(20) Shops and enginehouses _____	9,027			
19	(21) Grain elevators _____	5			
20	(22) Storage warehouses _____				
21	(23) Wharves and docks _____	1,162			
22	(24) Coal and ore wharves _____	3,930			
23	(25) TOFC/COFC terminals _____	228			
24	(26) Communication systems _____	2,796			
25	(27) Signals and interlockers _____	18,467			
26	(29) Power plants _____	732			
27	(31) Power-transmission systems _____	5,786			
28	(35) Miscellaneous structures _____	484			
29	(37) Roadway machines _____	3,403			
30	(38) Roadway small tools _____	91			
31	(39) Public improvements—Construction _____	9,630			
32	(43) Other expenditures—Road _____				
33	(44) Shop machinery _____	4,846			
34	(45) Power-plant machinery _____	3,086			
35	Other (specify and explain) _____				
36	Total expenditures for road _____	219,077			
37	(52) Locomotives _____	34,638			
38	(53) Freight-train cars _____	70,199			
39	(54) Passenger-train cars _____	7,057			
40	(55) Highway revenue equipment _____	428			
41	(56) Floating equipment _____	1,151			
42	(57) Work equipment _____	1,165			
43	(58) Miscellaneous equipment _____	1,456			
44	Total expenditures for equipment _____	116,094			
45	(71) Organization expenses _____				
46	(76) Interest during construction _____	6,630			
47	(77) Other expenditures—General _____	906			
48	Total general expenditures _____	7,536			
49	Total _____	342,707			
50	(80) Other elements of investment (p. 33) _____	13,886			
51	(90) Construction work in progress _____	712			
52	Grand Total _____	357,305			

* Various items each less than \$1,000.

211. ROAD AND EQUIPMENT PROPERTY (See Instructions page 32)

EXPENDITURES FOR ADDITIONS AND BETTERMENTS DURING THE YEAR		CREDITS FOR PROPERTY RETIRED DURING THE YEAR		Net changes during the year	Balance at close of	Line No.
Made on owned property (e)	Made on leased property (f)	Owled property (g)	Leased property (h)	(i)	(j)	
\$ 29	\$ 24	\$ 19	\$ 4	\$ 30	\$ 6,602	1
*		119	(1)	(118)	24,992	2
					170	3
*	4	96	1	(93)	28,307	4
					2,164	5
7	(11)	27	30	(61)	30,120	6
					415	7
24	27	47	7	(3)	6,397	8
128	12	72	9	59	16,547	9
41	33	48	15	11	10,955	10
168	55	8	2	213	6,688	11
114	96	44	8	158	7,700	12
		*	*	*	256	13
62	(33)	32		(3)	14,349	14
		4		(4)	128	15
					(253)	16
		8		(8)	(2)	17
99		96	(2)	5	9,032	18
					5	19
					1,162	20
23				23	4,003	21
	18			18	246	22
46	17	69	2	(8)	2,788	23
60	72	21	73	38	18,505	24
		24		(24)	708	25
30	17	9	7	31	5,817	26
*	*			*	484	27
402		240		162	3,565	28
		*		*	91	29
41	13	30	5	19	9,649	30
						31
32		108		(76)	4,770	32
		(11)		11	3,097	33
						34
1,306	344	1,110	160	380	219,457	35
69		2,590		(2,521)	32,117	36
5	39	2,886		(2,842)	67,357	37
		498		(498)	6,559	38
					428	39
					1,151	40
147				147	1,312	41
5		226		(221)	1,235	42
226	39	6,200		(5,935)	110,159	43
						44
(1)	(2)	35	3	(41)	6,589	45
*	*	5	*	(5)	901	46
(1)	(2)	40	3	(46)	7,490	47
1,531	381	7,350	163	(5,601)	337,106	48
*		2,000		(2,000)	11,886	49
46	(353)			(307)	405	50
1,577	28	9,350	163	(7,908)	349,397	51
						52

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 211 ON PAGES 30 and 31

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

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

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

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

5. In column (f) show particulars for improvements made on property held under lease or other form of long-term contract and not charged to the owning company.

6. In columns (g) and (h) should be entered all credits representing property sold, abandoned, or otherwise retired.

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

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

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

9. Report on line 35 amounts not includible in the primary road accounts. The items reported should be briefly identified and explained under "Notes and Remarks," below. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed sub or column headings without specific authority from the Commission.

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

11. If an amount of less than \$500 is used as the minimum debit or credit for additions and betterments to property investment accounts as provided for in Instruction 2-2, of the Uniform System of Accounts for Railroad Companies, state in a footnote the amount used.

12. Show dollars in thousands.

NOTES AND REMARKS

Schedule 211B, Page 34:

* 33.33 Car Racks Depreciated over 3 Year Lease (\$65,954 Fully Depreciated)					
* 16.67 Lubricators " " 6 " " (\$34,150 " ")					
ø 11.87 Radio Equip. " " 8 " "					

211A. OTHER ELEMENTS OF INVESTMENT

1. Give particulars and explanation of all entries in account No. 80, "Other elements of investment," during the year.
2. In column (b) show the account number to which the entries in column (c) were credited and the account number to which the entries in

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

Line No.	Item (a)	Contra account number (b)	Charges during the year (c)	Credits during the year (d)
1	Clearing of Account 80 resulting from Adjustment		\$	\$
2	of the Primary Accounts to conform with cost			
3	of Property in the Valuation Records as			
4	Authorized in the Commission's Letter of			
5	August 20, 1964:			
6	Annual Credit	616		2 000
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
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41				
42				
43				
44				
45				
46				
47				
48				
49				
50	TOTALS	x x x		2 000
51	NET CHANGES	x x x		2 000

211B. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

1. Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in columns (d) and (e) show the depreciation base used in computing the depreciation charges for the month of December; in columns (f) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 29 and 37 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. 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 composite rates to

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

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

3. Show in columns (e), (f), and (g), data applicable to property, used but not owned, when the rent therefor is included in account 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, 2-1/2, 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)	(Dollars in thousands)			OWNED AND USED			LEASED FROM OTHERS		
		Depreciation Base			Annual composite rate (percent)			Depreciation base		
		At beginning of year (b)	At close of year (c)		At beginning of year (d)	At close of year (e)		At beginning of year (f)	At close of year (g)	
	ROAD	\$	\$	%	\$	\$	%	\$	\$	%
1	(1) Engineering	5 209	5 217	1.03	2 233	2 225	1.03			
2	(2-1/2) Other right-of-way expenditures	83	83	.86						
3	(3) Grading	25 694	25 562	.15	8 826	8 825	.18			
4	(5) Tunnels and subways	2 188	2 188	.70	179	179	.54			
5	(6) Bridges, trestles, and culverts	26 471	26 430	1.21	9 095	9 091	1.27			
6	(7) Elevated structures									
7	(13) Fences, snowsheds, and signs	241	241	3.27	129	129	3.08			
8	(16) Station and office buildings	11 505	11 471	1.80	3 441	3 371	1.91			
9	(17) Roadway buildings	147	143	1.76	114	114	1.82			
10	(18) Water stations	10	10	2.52	5	5	2.25			
11	(19) Fuel stations	166	158	2.37	218	218	2.06			
12	(20) Shops and enginehouses	8 708	8 746	1.88	665	667	2.13			
13	(21) Grain elevators	4	4	1.58						
14	(22) Storage warehouses									
15	(23) Wharves and docks	1 059	1 059	2.65	182	182	2.38			
16	(24) Coal and ore wharves	3 499	3 815	2.26	1 483	1 327	2.59			
17	(25) TOFC/COFC terminals	201	201	3.96	131	149	3.96			
18	(26) Communications systems	1 601	1 555	3.17	1 109	1 086	3.68			
19	(27) Signals and interlockers	12 280	12 273	2.82	6 979	6 919	2.89			
20	(29) Power plants	508	485	1.64	256	256	1.62			
21	(31) Power transmission systems	2 104	2 128	2.84	3 398	3 393	2.47			
22	(35) Miscellaneous structures	505	506	1.52	174	174	2.42			
23	(37) Roadway machines	3 394	3 699	7.57						
24	(40) Public improvements—Construction	7 123	7 111	.81	4 813	4 828	.71			
25	(44) Shop machinery	3 530	3 498	2.88	165	165	2.86			
26	(45) Power plant machinery	2 263	2 273	2.81	871	871	2.82			
27	All other road accounts									
28	Amortization (other than defense projects)									
29	Total road	118 493	118 856	1.59	44 466	44 174	1.55			
	EQUIPMENT									
30	(52) Locomotives	33 392	32 256	5.00						
31	(53) Freight-train cars	70 335	68 235	3.27	620	620				
32	(54) Passenger-train cars	7 057	6 559	2.38						
33	(55) Highway revenue equipment	428	408	11.25						
34	(56) Floating equipment	1 192	1 191	2.50						
35	(57) Work equipment	1 159	1 306	3.91						
36	(58) Miscellaneous equipment	1 449	1 287	11.25	24	24				
37	Total equipment	115 012	111 242	3.84	644	644				
38	GRAND TOTAL	233 505	230 098	XX XX	45 110	44 818	XX XX			

* and See Notes on Page 32.

211C. 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 includible in operating expenses of the respondent, but for which the depreciation reserve is recorded in the accounts of the respondent. If the base for road is other than the original cost or estimated original cost as found by the Commission's Bureau of Accounts, brought to a current date by the respondent from its Order No. 3 records and accounts, or is other than ledger value for equipment, a full explanation should be given.

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

4. If the depreciation base for accounts 1, 2-1/2, 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) (d)
		Beginning of year (b)	Close of year (c)	
	ROAD	\$	\$	
1	(1) Engineering			
2	(2-1/2) Other right-of-way expenditures			
3	(3) Grading			
4	(5) Tunnels and subways			
5	(6) Bridges, trestles, and culverts			
6	(7) Elevated structures			
7	(13) Fences, snowsheds, and signs			
8	(16) Station and office buildings			
9	(17) Roadway buildings		None	
10	(18) Water stations			
11	(19) Fuel stations			
12	(20) Shops and enginehouses			
13	(21) Grain elevators			
14	(22) Storage warehouses			
15	(23) Wharves and docks			
16	(24) Coal and ore wharves			
17	(25) TOFC/COFC terminals			
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			
	EQUIPMENT			
29	(52) Locomotives			
30	(53) Freight-train cars			
31	(54) Passenger-train cars			
32	(55) Highway revenue equipment			
33	(56) Floating equipment			
34	(57) Work equipment		None	
35	(58) Miscellaneous equipment			
36	Total equipment			
37	GRAND TOTAL			XXXX

211D. 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 211F 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 parenthesis 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.

(Dollars in thousands)

Line No.	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the Year		DEBITS TO RESERVE During the Year		Balance at close of year (g)
			Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	
		\$	\$	\$	\$	\$	\$
ROAD							
1	(1) Engineering	1 182	53		7		1 228
2	(2-1/2) Other right-of-way expenditures	13	1				14
3	(3) Grading	842	39		3		878
4	(5) Tunnels and subways	552	15				567
5	(6) Bridges, trestles, and culverts	9 546	320		10		9 856
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	227	8				235
8	(16) Station and office buildings	5 232	207		11		5 428
9	(17) Roadway buildings	(56)	3		4		(57)
10	(18) Water stations		1				1
11	(19) Fuel stations	(408)	5		8		(411)
12	(20) Shops and enginehouses	2 426	164		95		2 495
13	(21) Grain elevators						
14	(22) Storage warehouses	(1)	-				(1)
15	(23) Wharves and docks	446	28		(12)		486
16	(24) Coal and ore wharves	1 139	85				1 224
17	(25) TOFC/COFC terminals	10	8				18
18	(26) Communication systems	1 052	49		50		1 051
19	(27) Signals and interlockers	5 890	346		12		6 224
20	(29) Power plants	142	8		24		126
21	(31) Power-transmission systems	1 861	60		(11)		1 932
22	(35) Miscellaneous structures	117	8				125
23	(37) Roadway machines	1 728	261		218		1 771
24	(39) Public improvements—Construction	1 328	57		24		1 361
25	(44) Shop machinery*	1 142	101		108		1 135
26	(45) Power-plant machinery*	1 396	64		(11)		1 471
27	All other road accounts						
28	Amortization (other than defense projects)						
29	Total road	35 806	1 891	None	540	None	37 157
EQUIPMENT							
30	(52) Locomotives	24 120	1 643		2 412		23 351
31	(53) Freight-train cars	32 896	2 263		2 587		32 572
32	(54) Passenger-train cars	5 401	161		480		5 082
33	(55) Highway revenue equipment	305	47		26		326
34	(56) Floating equipment	463	30				493
35	(57) Work equipment	828	47		(25)		902
36	(58) Miscellaneous equipment	255	152		161		247
37	Total equipment	64 269	4 343	None	5 641	None	62 971
38	GRAND TOTAL	100 075	6 234	None	6 181	None	100 128

*Chargeable to account 305.

211E. 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 includible 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.

(Dollars in thousands)

Line No.	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the Year				Balance at close of year (g)
			Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering	463	19		3		479
2	(2-1/2) Other right-of-way expenditures	3	-				3
3	(3) Grading	423	14				437
4	(5) Tunnels and subways	27	1				28
5	(6) Bridges, trestles, and culverts	3 029	90		29		3 090
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	121	4				125
8	(16) Station and office buildings	975	59		18		1 016
9	(17) Roadway buildings	(4)	2				(2)
10	(18) Water stations	(234)	-				(234)
11	(19) Fuel stations	(138)	4				(134)
12	(20) Shops and enginehouses	(345)	9		(3)		(333)
13	(21) Grain elevators	(1)	-				(1)
14	(22) Storage warehouses						
15	(23) Wharves and docks	(72)	-				(72)
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals	10	2		(4)		16
18	(26) Communication systems	1 247	38		4		1 281
19	(27) Signals and interlockers	3 941	194		73		4 062
20	(29) Power plants	(13)	3				(10)
21	(31) Power-transmission systems	2 593	81		5		2 669
22	(35) Miscellaneous structures	(56)	-				(56)
23	(37) Roadway machines	(24)	-				(24)
24	(39) Public improvements—Construction	887	31		2		916
25	(44) Shop Machinery*	(201)	4				(197)
26	(45) Power-plant machinery*	483	20				503
27	All other road accounts						
28	Total road	13 114	575	None	127	None	13 562
	EQUIPMENT						
29	(52) Locomotives						
30	(53) Freight-train cars	291	173				464
31	(54) Passenger-train cars						
32	(55) Highway revenue equipment						
33	(56) Floating equipment						
34	(57) Work equipment						
35	(58) Miscellaneous equipment	4	3				7
36	Total equipment	295	176	None	None	None	471
37	GRAND TOTAL	13 409	751	None	127	None	14 033

*Chargeable to account 305.

211F. 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 includible in operating expen-

ses of the respondent. (See schedule 211D 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 column (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."

(Dollars in thousands)

Line No.	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the Year		DEBITS TO RESERVE During the Year		Balance at close of year (g)
			Charges to others (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering _____						
2	(2-1/2) Other right-of-way expenditures _____						
3	(3) Grading _____						
4	(5) Tunnels and subways _____						
5	(6) Bridges, trestles, and culverts _____						
6	(7) Elevated structures _____						
7	(13) Fences, snow sheds, and signs _____						
8	(16) Station and office buildings _____						
9	(17) Roadway buildings _____						
10	(18) Water stations _____						
11	(19) Fuel stations _____						
12	(20) Shops and enginehouses _____						
13	(21) Grain elevators _____						
14	(22) Storage warehouses _____			NONE			
15	(23) Wharves and docks _____						
16	(24) Coal and ore wharves _____						
17	(25) TOFC/COFC terminals _____						
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 _____						
	EQUIPMENT						
29	(52) Locomotives _____						
30	(53) Freight-train cars _____						
31	(54) Passenger-train cars _____						
32	(55) Highway revenue equipment _____						
33	(56) Floating equipment _____						
34	(57) Work equipment _____						
35	(58) Miscellaneous equipment _____						
36	Total equipment _____						
37	GRAND TOTAL						

READING DISPATCH, INC.

COMPARATIVE INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 1973-72

	Amount for Current Year	Amount for Preceding Year
Operating Revenues	-	-
Operating Expenses	-	-
Net Revenue from Operations	-	-
Tax Accruals	\$ 48	\$ 10
Operating Income	(48)	(10)
Miscellaneous Income	-	2,775
Miscellaneous Income Charges	-	-
Income Available for Fixed Charges	(48)	2,765
Fixed Charges:	-	-
Interest on Funded Debt	-	-
Amortization of Discount on Funded Debt	-	-
Total Fixed Charges	-	-
Ordinary Income	(48)	2,765
Extraordinary Item	-	-
Net Income Transferred to Retained Income - Unappropriated	<u>\$(48)</u>	<u>\$2,765</u>

READING DISPATCH, INC.

COMPARATIVE GENERAL BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 1973-1972

	Balance at Close of Year	Balance at Beginning of Year
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Cash	\$ 77,912	\$ 23,101
Miscellaneous Accounts Receivable	169,194	38,028
Material and Supplies	77,516	220,761
Total Current Assets	<u>324,622</u>	<u>281,890</u>
 Total Assets	 <u>\$324,622</u>	 <u>\$281,890</u>
 <u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
<u>CURRENT LIABILITIES</u>		
Audited Accounts and Wages Payable	\$ 95,358	\$ 13,000
Miscellaneous Accounts Payable	4,488	11,138
Accrued Accounts Payable	235,422	268,350
Total Current Liabilities	<u>335,268</u>	<u>292,488</u>
 <u>AMOUNTS PAYABLE TO AFFILIATED COMPANIES</u>		
Reading Company	55,154	55,154
Reading Transportation Company	19,706	19,706
Total Amounts Payable to Affiliated Companies..	<u>74,860</u>	<u>74,860</u>
 <u>SHAREHOLDERS' EQUITY</u>		
Capital Stock	1,000	1 000
Retained Income - Unappropriated	(86,506)	(86,458)
Total Shareholders' Equity	<u>(85,506)</u>	<u>(85,458)</u>
 Total Liabilities and Shareholders' Equity	 <u>\$324,622</u>	 <u>\$281,890</u>

RYDAL EQUIPMENT CO.

COMPARATIVE INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 1973

	Amount for Current Year	Amount for Preceding Year
Operating Revenues	-	-
Operating Expenses	<u>-</u>	<u>-</u>
Net Revenue from Operations	-	-
Tax Accruals	<u>\$ 10</u>	<u>\$ 10</u>
Operating Income	<u>(10)</u>	<u>(10)</u>
Miscellaneous Income Charges	-	-
Income Available for Fixed Charges	<u>(10)</u>	<u>(10)</u>
Fixed Charges:		
Interest on Funded Debt	-	-
Amortization of Discount on Funded Debt	<u>-</u>	<u>-</u>
Total Fixed Charges	<u>-</u>	<u>-</u>
Ordinary Income	(10)	(10)
Extraordinary Item	<u>-</u>	<u>-</u>
Net Income Transferred to Retained Income -		
Unappropriated	<u>\$(10)</u>	<u>\$(10)</u>

RYDAL EQUIPMENT CO.

COMPARATIVE GENERAL BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 1973-1972

	Balance at Close of Year	Balance at Beginning of Year
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Cash	\$ 3,797	\$ 88,199
Miscellaneous Accounts Receivable	-	-
Material and Supplies	59,799	(31,511)
Total Current Assets	<u>63,596</u>	<u>56,688</u>
<u>INVESTMENTS IN AFFILIATED COMPANIES</u>		
Ambler Container Company	50,000	50,000
Total Assets	<u>\$113,596</u>	<u>\$106,688</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
<u>CURRENT LIABILITIES</u>		
Audited Accounts and Wages Payable	\$ 2,882	\$ 31,288
Accrued Accounts Payable	59,799	24,485
Other Taxes Accrued	10	-
Total Current Liabilities	<u>62,691</u>	<u>55,773</u>
<u>AMOUNTS PAYABLE TO AFFILIATED COMPANIES</u>		
Reading Company	50,000	50,000
<u>SHAREHOLDERS' EQUITY</u>		
Capital Stock	1,000	1,000
Retained Income - Unappropriated	(95)	(85)
Total Shareholders' Equity	<u>905</u>	<u>915</u>
Total Liabilities and Shareholders' Equity	<u>\$113,596</u>	<u>\$106,688</u>

AMBLER CONTAINER COMPANY

COMPARATIVE INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 1973

	Amount for Current Year	Amount for Preceding Year
Operating Revenues	-	-
Operating Expenses	-	-
Net Revenue from Operations	-	-
Tax Accruals	\$ 13	\$ 13
Operating Income	(13)	(13)
Miscellaneous Income	161	-
Miscellaneous Income Charges	537	195
Income Available for Fixed Charges	(389)	(208)
Fixed Charges:		
Interest on Funded Debt	33,041	36,449
Amortization of Discount on Funded Debt	584	2,788
Total Fixed Charges	33,625	39,237
Ordinary Income	(34,014)	(39,445)
Extraordinary Item - Credit	-	21,833
Net Income Transferred to Retained Income -		
Unappropriated	\$(34,014)	\$(17,612)

AMBLER CONTAINER COMPANY

COMPARATIVE GENERAL BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 1973-1972

	Balance at Close of Year	Balance at Beginning of Year
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Cash	\$ 5,853	\$ 4,346
Prepayments	5	3
Total Current Assets	<u>5,858</u>	<u>4,349</u>
<u>INVESTMENTS</u>		
Investments in Affiliated Companies:		
Pittsburgh-Philadelphia Transportation Co.:		
Stock	800,000	800,000
Advances	39,005	39,005
Total Investments	<u>839,005</u>	<u>839,005</u>
<u>OTHER ASSETS</u>		
Unamortized Discount on Long-term Debt	-	584
Total Assets	<u>\$ 844,863</u>	<u>\$ 843,938</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
<u>CURRENT LIABILITIES</u>		
Miscellaneous Accounts Payable	\$ 1,888	-
Other Taxes Accrued	10	-
Total Current Liabilities	<u>1,898</u>	-
Equipment Obligations and Other Debt Due		
Within One Year	<u>54,212</u>	<u>50,557</u>
<u>LONG-TERM DEBT</u>		
Funded Debt Unmatured	590,125	644,337
Amounts Payable to Affiliated Companies	367,665	284,067
Total Long-Term Debt Due After One Year	<u>957,790</u>	<u>928,404</u>
OTHER LIABILITIES	<u>129,463</u>	<u>129,463</u>
<u>SHAREHOLDERS' EQUITY</u>		
Capital Stock	1,000	1,000
Retained Income - Unappropriated	(299,500)	(265,486)
Total Shareholders' Equity	<u>(298,500)</u>	<u>(264,486)</u>
Total Liabilities and Shareholders' Equity	<u>\$ 844,863</u>	<u>\$ 843,938</u>

211G. 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, "Accrued 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, "Accrued 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 22. 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. (Dollars in thousands)

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)
1	ROAD:	\$	\$	\$	\$	\$	\$	\$	\$
2	Minor Items each less than \$100,000.				124				124
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21	TOTAL ROAD	None	None	None	124	None	None	None	124
22	EQUIPMENT:				203				203
23	(52) Locomotives		32		209		32		209
24	(53) Freight-train cars								
25	(54) Passenger-train cars								
26	(55) Highway revenue equipment								
27	(56) Floating equipment								
28	(57) Work equipment								
29	(58) Miscellaneous equipment								
30	TOTAL EQUIPMENT	None	32	None	412	None	32	None	412
31	GRAND TOTAL	None	32	None	536	None	32	None	536

NOTES AND REMARKS

Note: Schedule 211I:

<u>Class of Equipment</u> (a)	<u>REBUILT UNITS</u>		<u>Total Cost</u> (d)	<u>Method of Acquisition</u> (e)
	<u>Number of Units</u> (b)	<u>Total Weight (Tons)</u> (c)		
Welded Rail Train:				
*Flats - FMEX, FMNX	28			
*Gondolas - GHRX	3			
Total	31	29	\$106,651.11	S
*Series 97,000-97,030.				

These units were not reflected in Schedule 211I for 1972 because accounting had not been completed at time of filing Form A, 1972.

2111. UNIT COST OF EQUIPMENT INSTALLED DURING THE YEAR

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

2. In column (a) list each class or type of locomotive unit, car, or TOFC/COFC equipment on a separate line. By class is meant the standard classification used to distinguish types of locomotive units, freight cars or other equipment, adopted by the Association of American Railroads; and should include physical characteristics requested by Schedule 417: locomotive units should be identified as to power source, wheel arrangement and horsepower per unit; such as Multiple purpose diesel locomotive A units (B-B), 2500 HP; and cars should be identified as to

special construction or service characteristics such as Aluminum covered hopper cars, LO; Steel boxcars—special service, XAP, etc.; for TOFC/COFC show type of equipment as enumerated in Schedule 417, lines 74-84 and type of construction.

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

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

5. Data for this schedule should be confined to the units reportable in columns (c), (e), (p), and (r) of schedule 417, showing returns for new units in the upper section of this schedule and showing returns for rebuilt units acquired and rebuilt units rewritten into respondent's property investment account in the lower section. The term "new" as used herein shall refer to and mean a unit or units placed in service for the first time on any railroad.

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

(Dollars in thousands)

NEW UNITS

Line No.	Class of equipment (a)	Number of units (b)	Total weight (tons) (c)	Total cost (d)	Method of acquisition (see instructions) (e)
				\$	
1					
2					
3					
4					
5					
6					
7					
8	NONE				
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25	TOTAL		XX XX		XXXX

REBUILT UNITS

1	See Page 40 for information concerning 31 units						
2	reported in 1972 Form A in accordance with						
3	I.C.C. instructions.						
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
	</						

211N-1 INVESTMENT IN RAILWAY PROPERTY USED IN TRANSPORTATION SERVICE (SEE INSTRUCTION 2)

1. Give particulars, as requested, of the investment in transportation property at the close of the year, as related to "Net railway operating income," of the respondent for the year.

2. The term "Investment in railway property used in transportation service" means the aggregate of property owned, and property not owned but used by the respondent, in transportation service, (a) the investment in which is represented in accounts 731 and 732 of the respondent, including operating, lessor, and inactive railroads, (b) road and equipment property leased to or from others, the rentals of which are included in accounts 509 and 542, (c) equipment owned or leased, the lease-rental from which is included in accounts 503 to 507, inclusive, of the respondent, minus (d) investment in property leased to others the lease-rental from which is included in account 509. It does not include investment of others in equipment used by the respondent, rent for which is included in accounts 536 to 540, inclusive, nor does it include investment of other carriers in property jointly used by the respondent, such as trackage rights, rent for which is included in account 541 of the respondent. In column (a), classify each company in this schedule as respondent (R), lessor railroad (L), inactive or proprietary company (P), and other leased properties (O).

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

the respondent. Show a total for each class of company. Then show, as deductions, data for transportation property leased to carriers and others, rentals from which are included in account 509.

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

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

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

(Dollars in thousands)

Line No.	Class (See Ins. 2) (a)	Name of company (b)	Miles of road owned (See Ins. 4) (c)	Investment in property (See Ins. 5) (d)	Depreciation and amortization of defense projects (See Ins. 6) (e)
1	R	Reading Company	821 96	\$ 349 397	\$ 100 664
2	L	Allentown Terminal Railroad Company*	2 85	450)	
3	L	Delaware and Bound Brook Railroad Company	34 33	3 415)	
4	L	East Pennsylvania Railroad Company	35 81	4 455)	14 033
5	L	North Pennsylvania Railroad Company	94 31	10 509)	
6	L	Phila., Germantown & Norristown R.R. Co.	20 68	1 635)	
7	L	Plymouth Railroad Company	9 06	287)	
8	L	Port Reading Railroad Company	20 31	3 875	226
9	L	Wilmington and Northern Railroad Company	82 96	4 255	768
10	O	Leased Property Capitalized Rentals		2 000	
11					
12		* Line 2 - Allentown Terminal Railroad			
13		Company leased jointly to			
14		Reading Company and the			
15		Central Railroad Company of			
16		New Jersey.			
17		Mileage as shown is 100%			
18		Investment as shown is 50%			
19					
20		Separation by Companies not available.			
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39		TOTAL	1,122 27	380 278	115 691

211N-2. INVESTMENT IN RAILWAY PROPERTY USED IN TRANSPORTATION SERVICE—Continued

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

2. The amounts for respondent and for each group or class of companies and properties on line 53 herein, should correspond with the amount for respondent and with the aggregate amounts for each class of company and properties shown in schedule 211N-1 on page 42. Continuing records shall be maintained by respondent of the primary property accounts separately for each company or property included in this schedule.

3. Report on line 35 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 under "Notes and Remarks," page 40.

4. Report on line 36 amounts not includable in the accounts shown, or in line 35. The items reported should be briefly identified and explained under "Notes and Remarks," page 40. 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)	Respondent (b)	Lessor railroads (c)	Inactive (proprietary) companies (d)	Other leased properties (e)
		\$	\$	\$	\$
1	(1) Engineering	6 602	902		
2	(2) Land for transportation purposes	24 992	1 836		
3	(2 1/2) Other right-of-way expenditures	170	(82)		
4	(3) Grading	28 307	5 820		
5	(5) Tunnels and subways	2 164	202		
6	(6) Bridges, trestles, and culverts	30 120	5 537		
7	(7) Elevated structures	415	(415)		
8	(8) Ties	6 397	2 044		
9	(9) Rails	16 547	3 452		
10	(10) Other track material	10 955	2 256		
11	(11) Ballast	6 688	2 073		
12	(12) Track laying and surfacing	7 700	1 844		
13	(13) Fences, snowsheds, and signs	256	90		
14	(16) Station and office buildings	14 349	1 738		
15	(17) Roadway buildings	128	105		
16	(18) Water stations	(253)	266		
17	(19) Fuel stations	(2)	188		
18	(20) Shops and enginehouses	9 032	336		
19	(21) Grain elevators	5			
20	(22) Storage warehouses				
21	(23) Wharves and locks	1 162	301		
22	(24) Coal and ore wharves	4 003	1		
23	(25) TOFC/COFC terminals	246	4		
24	(26) Communication systems	2 788	(74)		
25	(27) Signals and interlockers	18 505	1 147		
26	(29) Power plants	708	18		
27	(31) Power-transmission systems	5 817	(248)		
28	(35) Miscellaneous structures	484	33		
29	(37) Roadway machines	3 565			
30	(38) Roadway small tools	91	49		
31	(39) Public improvements—Construction	9 649	2 453		
32	(43) Other expenditures—Road				
33	(44) Shop machinery	4 770	45		
34	(45) Power-plant machinery	3 097	18		
35	Leased property capitalized rentals (explain)				2 000
36	Other (specify & explain)				
37	Total expenditures for road	219 457	31 939		2 000
38	(52) Locomotives	32 117			
39	(53) Freight-train cars	67 357			
40	(54) Passenger-train cars	6 559			
41	(55) Highway revenue equipment	428			
42	(56) Floating equipment	1 151			
43	(57) Work equipment	1 312			
44	(58) Miscellaneous equipment	1 235			
45	Total expenditures for equipment	110 159			
46	(71) Organization expenses				
47	(76) Interest during construction	6 589	2 749		
48	(77) Other expenditures—General	901	402		
49	Total general expenditures	7 490	3 151		
50	Total	337 106	35 090		2 000
51	(80) Other elements of investment	11 886	(6 209)		
52	(90) Construction work in progress	405			
53	Grand Total	349 397	28 881	None	2 000

214. MISCELLANEOUS PHYSICAL PROPERTY

1. Give particulars of all investments of the respondent in physical property includible in account No. 737, "Miscellaneous physical property," together with the revenue, income, expenses, taxes, and depreciation data on such property, as requested.

2. Show in column (a) a description and location of the physical property, and, if operated, the kind of business in which engaged, 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. Each item of property investment amounting to \$1,000,000 or more should be separately stated and each item whose net profit or net loss for the year (as per column (i), regardless of amount of investment) is \$50,000 or more should also be separately stated. All other

items may be combined in a single entry designated "All other items."

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

4. If any property investment includible in this schedule, amounting to \$250,000 or more, was disposed of during the year, give particulars in a footnote.

Line No.	Item (Kind and location of property, and nature of business, if any) (a)	A. INVESTMENT (ACCOUNT 737)				Balance at close of year (See ins. 3) (e)	
		Year of acquisition (b)	Charges during the year (c)	Credits during the year (d)			
			\$	\$		\$	
1	Port Richmond Grain Elevator,						
2	Phila., Penn.	Various	-	-		4	926
3	Piers A, B, C and D,	"	-	-		3	305
4	Port Richmond, Phila., Penn.	"	44	368		6	045
5	Other Items						
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22	Total	x x x x	\$44	\$368		\$14	276

NOTES AND REMARKS

214. MISCELLANEOUS PHYSICAL PROPERTY—Continued

5. In section B include in column (f) the gross amount of revenue or income included in accounts 502 and 511, in column (g) the gross amount of expenses (including depreciation) charged to accounts 511 and 534, in column (h) the amount of taxes charged to accounts 535 and 544 for the year, and in column (i) the net profit or loss of columns (f) minus (g) and (h).

6. Any differences between the total of column (h) and the totals of accounts 535 and 544, and differences between the total of column (i) and the net total of accounts 502, 511, 534, 535, and 544, of such accounts in Schedule 300, "Income Account for the Year," should be explained in a footnote.

7. In section C give an analysis of account 738, "Accrued depreciation—Miscellaneous physical property," for each item shown in column (a). Show in column (n) the percentage or composite rate used by the respondent for computing the amount of depreciation credited to the account during the year. Any adjustments of importance included in columns (j) and (k) should be fully explained in a footnote.

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

(Dollars in thousands)

B. REVENUES, INCOME, EXPENSES AND TAXES CREDITED AND DEBITED TO ACCOUNTS 502, 511, 534, 535 AND 544 DURING THE YEAR							C. DEPRECIATION RESERVE (ACCOUNT 738)											
Revenues or income (f)		Expenses (g)		Taxes (h)		Net profit for year after taxes (L. loss) (i)		Credits during the year (j)		Debits during the year (k)		Balance at close of year (l)		Base (m)		Rates (n)		Line No.
\$		\$		\$		\$		\$		\$		\$		\$				
	75		78		66		(69)		78				2 954		4 737	1.65	%	1
	34		92		61		(119)		59				1 730		2 825	2.09		2
	456		162		49		245		41		92		797		2 018	2.03		3
																		4
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																		21
	565		332		176		57		178		92		5 481		9 580	xxxxx		22

NOTES AND REMARKS

216. OTHER ASSETS AND DEFERRED CHARGES

Give description and particulars for each item or class of items of like description in accounts Nos. 741, "Other assets," and 743, "Other deferred charges," at the close of the year. Show debtor (or class of debtors) for deferred assets and appropriate description for items or class of items of deferred charges. Show the three largest items regardless of the dollar amount and all items (or the aggregate of a class of items of like description) amounting to \$250,000 or more. Each item or class of items of like description amounting to less than \$250,000 may be com-

bined into a single entry designated "Other items, each less than \$250,000". The entries for each account shall be listed and the account number and the total for each account shall be shown corresponding to the amounts in Schedule 200A. In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

(Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Amount (c)
			\$
1	741	Purchase physical properties and franchises of Lehigh and	
2		Susquehanna Railway System	423*
3		Miscellaneous Accounts of Doubtful Value Agency	266
4		Accounts Receivable-offsets claimed by other railroads	405
5		Pennsylvania-Reading Seashore Lines-Interline Settlements	4 878
6		Damage to Reading Company property by Outside Parties	273
7		Other Items each less than \$250,000	749
8		Total Account 741	6 994
9			
10	743	Rehabilitation of 38 MU Cars	419
11		Unadjusted Capital Expenditures and Other Items under Investigation	99
12		Partial Settlement-Redevelopment Authority of the City of	
13		Philadelphia - Sale of Land	224
14		Other Items each less than \$250,000	540
15			1 282
16			
17			
18		*Reading Company is the owner of the Lehigh and Susquehanna Railway Sys-	
19		tem which was acquired under and Subject: (a) to all rights of	
20		The Central Railroad Company of New Jersey as Lessee under the	
21		Agreement of Lease of said System dated March 31, 1871, and (b)	
22		until May 1, 1998, to the rights of Lehigh Coal and Navigation Com-	
23		pany as Lessor under the said lease. The purchase of the said Sys-	
24		tem by Reading Company was authorized by Finance Docket No. 22306.	
25		Pursuant to authorization of the Commission in Finance Docket No.	
26		26659 the Trustees of The Lehigh Valley Railroad Company became the	
27		operator of the System in substitution for The Central Railroad	
28		Company of New Jersey.	
29			
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45			

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 218 ON PAGES 48, 49, 50 AND 51

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

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

- (1) MORTGAGE BONDS:
 - (a) With fixed interest.
 - (b) With contingent interest.
- (2) COLLATERAL TRUST BONDS:
 - (a) With fixed interest.
 - (b) With contingent interest.
- (3) UNSECURED BONDS (Debentures):
 - (a) With fixed interest.
 - (b) With contingent interest.
- (4) EQUIPMENT OBLIGATIONS:
 - (a) Equipment securities (Corporation).
 - (b) Equipment securities (Receivers' and Trustees').
 - (c) Conditional or deferred payment contracts.
- (5) MISCELLANEOUS OBLIGATIONS.
- (6) RECEIVERS' AND TRUSTEES' SECURITIES (Other than equipment obligations).
- (7) SHORT-TERM NOTES IN DEFAULT.

Columns (f), (g), (h), (i), and (j) are intended further to classify the obligations of the company and are to be answered "yes" or "no."

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

If the issue is an income bond, the entry in column (d) should be the annual maximum rate of interest specified by the indenture. In column (k) show the approximate number of miles of road on which the mortgage is a direct first lien and in column (h) the approximate number of miles of road on which the mortgage is a direct junior lien. Do not consider any road or other property indirectly subject to either a first or junior lien through the pledge of collateral, leaseholds, or other contractual rights in making the returns required in columns (h), (j), (k), and (l).

In column (m) enter the amount of debt both nominally and actually issued up to the date of the report and not the amount authorized. In the event debt is assumed, column (m) should include the amount of debt issued by the original debtor.

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

For definitions of "nominally issued," "nominally outstanding," "actually issued," and "actually outstanding," see schedule 228.

Entries in columns (v) and (w) 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.

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

The grand totals of columns (n) and (r), when combined, should equal the sum of the amounts stated in short column (a₂) for accounts Nos. 764, 765, 766, 767, and 768 in schedule 200L, "Comparative General Balance Sheet—Liabilities and Shareholders' Equity."

On page 51 give particulars of changes during the year in funded debt and other obligations. In column (z), state whether issued for construction of new properties, for additions and betterments, for purchase of railroad or other property, for conversion, for acquisition of securities, for reorganization, or for other corporate purposes. Also, give the number and date of authorization by the public authority under whose control such issue was made, naming such authority. For nominally issued securities, show returns in columns (z) and (aa) only.

For each class of securities actually issued or assumed, the sum of the entries in columns (bb) and (cc), plus discounts or less premiums, such discounts or premiums to be shown in a footnote applicable to each issue, should equal the entry in column (aa). For definition of expense, reportable in column (cc), see Definition 10 in the Uniform System of Accounts for Railroad Companies.

Particulars concerning the reacquirement of securities that were actually outstanding should be reported on pages 50 and 51, columns (a), (dd), and (ee). Include those securities that have been called for payment during the year for which liability has been transferred to account No. 763, "Other current liabilities."

Show dollars in thousands.

NOTES AND REMARKS

218. FUNDED DEBT AND OTHER OBLIGATIONS (Dollars in thousands)

Line No.	Name and character of obligation	Nominal date of issue	Date of maturity	INTEREST PROVISIONS		DOES OBLIGATION PROVIDE FOR— (Answer "Yes" or "No")			IS OTHER PROPERTY (REAL OR PERSONAL OR LEASEHOLD) SUBJECT TO LIEN OF THE OBLIGATION? (Answer "Yes" or "No")		APPROXIMATE NUMBER OF MILES OF LINE DIRECTLY SUBJECT TO—	
				Rate percent per annum (current year)	Dates due	Con- version	Call prior to maturity other than for sinking fund	Sinking fund	First lien	Junior to first lien	First lien	Junior to first lien
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	Accts. 764-765-767-768											
2	1a 1st & Ref. Mtg. Ser. D	5-01-45	5-01-95	3.125	M & N 1	No	Yes	Yes	Yes	Yes	938.516	
3	1a 1st & Ref. Mtg. Ser. E	5-01-63	5-01-95	5	M & N 1	No	Yes	No	Yes	Yes	938.516	
4	Total 1a											
5	2a Collateral Tr. Notes	7-01-63	7-01-78	6.50	J & J 1	No	Yes	No	Yes	No		
6	5 Cornwall Railroad	8-01-67	11-01-74		J-A-J-01	No	No	No	Yes	No		
7	6 Fed. RR-Emerg. Rail											
8	Fac. Restora. Act	8-17-73	8-17-93	5.50	F-A 17	No	No	No	No	No		
9	6 Trustees Adminis-											
10	trative Obligation	10-01-73	-	6.50	-	No	No	No	No	No		
11	Total 6											
12												
13	Accounts 764-766											
14												
15	4a Equip. Trust Certif.											
16	Series "AA"	7-01-63	7-01-78	6.50	J & J 1	No	No	No	Yes			
17												
18	4c Equip. Obligations											
19	Diesel Locos.	12-15-58	6-01-74	4.25	Monthly	No	No	No	Yes			
20	Hoppers Cars	9-01-59	7-01-74	5.25	J & J 1	No	No	No	Yes			
21	Diesel Locos.	4-15-61	8-01-76	5	F & A 1	No	No	No	Yes			
22	Hop. Cars & Die'l Locos.	1-01-62	3-01-77	5.25	M & S 1	No	No	No	Yes			
23	Box Cars	3-01-65	8-01-75	5.25	F & A 1	No	No	No	Yes			
24	Box Cars	9-01-65	9-01-77	5.125	M & S 1	No	No	No	Yes			
25	Hopper Cars	11-01-65	3-15-81	5.375	M & S 15	No	No	No	Yes			
26	Hopper Cars	6-15-66	8-15-81	6.25	F & A 15	No	No	No	Yes			
27	Hopper Cars	4-01-67	4-01-81	6.75	A & O 1	No	No	No	Yes			
28	Flat Cars	2-01-68	4-20-78	7.50	A & O 15	No	No	No	Yes			
29	Maint. of W. Equip.	6-01-68	5-01-73	7.25	M & N 1	No	No	No	Yes			
30	Gondola Cars	3-17-70	4-01-80	9.5	A & O 1	No	No	No	Yes			
31	Model 360 Computer	7-02-71	6-01-76	Pr. + 1%	M-J-S-D1	No	No	No	Yes			
32	Travelift Crane	4-01-71	11-15-76	Pr. + 1%	F-M-A-N1	No	No	No	Yes			
33	Highway Units	6-01-72	6-01-77	8.5	Monthly	No	No	No	Yes			
34	Maint. of Way Units	6-04-73	10-01-78	9.5	F-M-A-O	No	No	No	Yes			
35	Total 4 c											
36	Total 4											
37												
38												
39												
40	Total Line 3											
41	Total Line 5											
42	Total Line 7											
43	Total Line 13											
44	Total Line 38											
45												
46												
47												
48												
49												
50												
51	For Footnote - See Page 51.											
										</		

218. FUNDED DEBT AND OTHER OBLIGATIONS—Continued

Total amount nominally and actually issued (m)	AMOUNT NOMINALLY ISSUED AND—		Total amount actually issued (p)	AMOUNT REACQUIRED AND—		TOTAL AMOUNT ACTUALLY OUTSTANDING			Line No.
	Held in special funds or in treas- ury or pledged (Identify pledged securities by symbol "P"; matured by symbol "M") (n)	Canceled (o)		Canceled through sinking fund or otherwise canceled (Identify canceled through sinking fund by symbol "S") (q)	Held in special funds or in treas- ury or pledged (Identify pledged securities by symbol "P"; matured by symbol "M") (r)	Unmatured (accounts 765, 766, and 767) (s)	Unmatured (account 764) (t)	Matured and no provision made for payment (account 768) (u)	
\$ 84 000			\$ 84 000	\$ 29 922	\$ 8 M			\$ 54 070	1
37 500	37 500P(1)								2
121 500	37 500		84 000	29 922	8 M			54 070	3
									4
30 000			30 000	6 802				23 198	5
									6
150			150	109		21	20	(5)	7
									8
									9
1 235			1 235			1 235			10
									11
4 802			4 802			4 802			12
6 037			6 037			6 037			13
									14
									15
									16
									17
11 000		11 000							18
									19
									20
1 144			1 144	1 115			29		21
3 000			3 000	2 845			155		22
918			918	735		122	61		23
7 037			7 037	5 402		1 166	469		24
1 500			1 500	1 200		150	150		25
1 200			1 200	827		273	100		26
3 775			3 775	1 933		1 590	252		27
3 300			3 300	1 582		1 498	220		28
2 550			2 550	1 073		1 307	170		29
429			429	158		243	28		30
433			433	433					31
750			750	263		412	75		32
712			712	356		214	142		33
182			182	46		113	23		34
681			681	184		361	136		35
403			403	20		302	81		36
28 014			28 014	18 172	(u)	7 751	2 091		37
39 014		11 000	28 014	18 172		7 751	2 091		38
									39
121 500	37 500		84 000	29 922	8			54 070	40
30 000			30 000	6 802				23 198	41
150			150	109		21	20		42
6 037			6 037			6 037			43
39 014		11 000	28 014	18 172		7 751	2 091		44
									45
									46
									47
									48
									49
									50
196 701	37 500	11 000	148 201	55 005	8	13 809	2 111	77 268	51

218. FUNDED DEBT AND OTHER OBLIGATIONS—Continued

Line No.	Name and character of obligation (List on same lines and in same order as on page 48)	AMOUNT OF INTEREST ACCRUED DURING YEAR		Amount of interest paid during year	Total amount of interest in default
		Charged to income	Charged to investment accounts		
	(a)	(v)	(w)	(x)	(y)
	Accounts 764-765-766-767-768	\$	\$	\$	\$
1	1a 1st & Ref.Mtg.Series "D"	1 690			3 660
2	1a 1st & Ref.Mtg.Series "E"				
3	Total 1a	1 690			3 660
4					
5	2a Collateral Trust Notes	1 278			3 604
6					
7	5 Cornwall Railroad				
8					
9	6 Fed.RR.Emerg.Rail Facilities				
10	Restoration Act	25			
11	Trustees Administrative				
12	Obligation	312			
13	Total 6	337			
14					
15	Accounts 764-766				
16					
17	4a Equip. Trust Certificates				
18	Series "AA"				
19					
20	4c Equipment Obligations				
21	Diesel Locos.	3		3	
22	Hopper Cars	11		16	
23	Diesel Locomotives	11		12	
24	Hopper Cars & Diesel Locos.	98		107	
25	Box Cars	18		22	
26	Box Cars	23		25	
27	Hopper Cars	106		109	
28	Hopper Cars	113		118	
29	Hopper Cars	105		109	
30	Flat Cars	23		23	
31	Maint. of Way Equipment	1		1	
32	Gondola Cars	50		52	
33	Model 360 Computer	35		38	
34	Travelift Crane	14		14	
35	Highway Units	52		49	
36	Maint. of Way Units	1		1	
37	Total 4c	664		699	
38		664		699	
39					
40	Total Line 3	1 690			3 660
41	Total Line 5	1 278			3 604
42	Total Line 7				
43	Total Line 13	337			
44	Total Line 38	664		699	
45					
46					
47					
48					
49					
50					
51	Grand Total	3 969		699	7 264

218. FUNDED DEBT AND OTHER OBLIGATIONS—Concluded

SECURITIES ISSUED OR ASSUMED DURING YEAR				SECURITIES REACQUIRED DURING YEAR				Line No.
Purpose of the issue and authority (z)	Par value (aa)		Net proceeds received for issue (cash or its equivalent) (bb)	Expense of issuing securities (cc)		AMOUNT REACQUIRED		
						Par value (dd)	Purchase price (ee)	
(1) Footnote, applicable to Line 2, Page 49, to provide funds to reimburse respondent for expenditures made from its own funds after January 1, 1957, for certain additions and betterments or other capital expenditures and authorized by I.C.C. at Finance Docket No. 22546 on June 26, 1963, and Supplemental Order dated June 15, 1964.	\$		\$		\$	(5) 12	12	1
								2
								3
								4
								5
								6
								7
								8
								9
								10
								11
								12
								13
								14
								15
								16
Footnote Applicable to Page 48:								17
ø Includes 125.27 miles of track referred to in Line 1 of Sched. 216.								18
Additions and Betterments.						76	76	19
						200	200	20
						61	61	21
						469	469	22
						150	150	23
						100	100	24
						261	261	25
						220	220	26
						174	174	27
						29	29	28
						28	28	29
						75	75	30
						142	142	31
						23	23	32
						120	120	33
						20	20	34
(4C) 9.50	403		403			2 148	2 148	35
	403		403			2 148	2 148	36
	403		403			2 148	2 148	37
								38
								39
Total Line 3								40
Total Line 5						12	12	41
Total Line 7								42
Total Line 13								43
Total Line 38		403		403		2 148	2 148	44
								45
								46
								47
								48
								49
								50
Grand Total		403		403		2 160	2 160	51

219. EQUIPMENT COVERED BY EQUIPMENT OBLIGATIONS

Give the particulars called for regarding the equipment obligations included in schedule 218, "Funded Debt and Other Obligations" (accounts Nos. 764, "Equipment obligations and other debt due within 1 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 cov-

ered by the obligation. In column (c) show the contract price to the original debtor; in column (d) show the cash paid on acceptance of equipment by the original debtor; do not report the price paid on a subsequent sale and assumption of balance of debt.

(Dollars in thousands)

Line No.	Designation of equipment obligation (List names in the same order as in schedule 218)	Description of equipment covered				Contract price of equipment acquired	Cash paid on acceptance of equipment
	(a)	(b)				(c)	(d)
						\$	\$
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15		Diesel		Maint.			
16		Electric		of Way			
17		Locomotive	Freight	Equip.			
18		Units	Cars	Units	Other		
19							
20	Conditional Sales Agreements:						
21	Dec. 15, 1958	14				1 431	287
22	Sept. 1, 1959		500			3 336	336
23	Apr. 15, 1961	10				1 020	102
24	Jan. 1, 1962	20	400			8 806	1 768
25	Mar. 15, 1965		115			1 500	None
26	Sept. 1, 1965		150			1 200	None
27	Nov. 1, 1965		700			3 775	None
28	June 15, 1966		600			3 300	None
29	Apr. 1, 1967		500			2 550	None
30	Feb. 1, 1968		25			477	48
31	June 1, 1968			29		X 433	None
32	Mar. 17, 1970		100			750	None
33	July 2, 1971	Model 360 Computer				712	None
34	Apr. 1, 1971				1	182	None
35	June 1, 1972				91	681	None
36	Oct. 1, 1973			26		new 403	None
37							
38							
39							
40							
41							
42							
43							
44							
45							
46							
47							
48							
49							
50							

220. INTEREST ON INCOME BONDS

1. Give particulars concerning interest payable, accrued, paid, and accumulated and unpaid on the securities having contingent interest provisions classified as (1) Mortgage Bonds, (2) Collateral Trust Bonds, and (3) Unsecured Bonds (Debentures), in schedule 218, "Funded Debt and Other Obligations."

2. In columns (a), (b), and (c) state the name, amount, and nominal rate of interest shown in columns (a), (v), and (d), respectively, in schedule 218, for each security of the kind indicated. List the names of such securities in the same order as in schedule 218.

3. In column (d) show the amount of interest payable for the year at the nominal rate, if earned, on all of the bonds outstanding at the close of the year plus those retired during the year.

4. In column (e) show the amount of interest charged to the income account for the year.

5. In column (f) show the difference between columns (d) and (e).

6. In columns (h), (i), and (j) show the amounts of interest actually paid during the year, segregated in columns (h) and (i) between payments applicable to the current year's accruals, and those applicable to past accruals.

7. In column (k) enter the maximum accumulation of unpaid interest as provided for in the bonds.

8. In column (l) show the sum of unearned interest accumulated under the provisions of the security plus the earned interest unpaid at the close of the year.

9. In the second section of this schedule show the particulars of the several items on the same line and in the same order as in the first section.

(Dollars in thousands)

Line No.	Name of issue (from schedule 218) (a)	Amount actually outstanding (from schedule 218) (b)	Nominal rate of interest (from schedule 218) (c)	AMOUNT OF INTEREST	
				Maximum amount payable, if earned (d)	Amount actually payable under contingent interest provisions, charged to income for the year (e)
1		\$		\$	\$
2					
3	None				
4					
5					
6					
7					
8					
9					
10					

AMOUNT OF INTEREST—Concluded

Line No.	DIFFERENCE BETWEEN MAXIMUM PAYABLE IF EARNED AND AMOUNT ACTUALLY PAYABLE		TOTAL PAID WITHIN YEAR			Maximum period or percentage, for which cumulative, if any (k)	Total accumulated unearned interest plus earned interest unpaid at the close of year (l)
	Current year (f)	All years to date (g)	On account of current year (h)	On account of prior years (i)	Total (j)		
1	\$	\$	\$	\$	\$		\$
2							
3							
4							
5							
6							
7							
8							
9							
10							

222. AMOUNTS PAYABLE TO AFFILIATED COMPANIES

Give full particulars of 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 amounts are evidenced by notes, each note should be separately shown in column (a). Entries in columns (e) and

(f) should include interest accruals and interest payments on debt retired during the year, even though no portion of the debt remained outstanding at the close of the year. Show, also, in a footnote, particulars of interest charged to cost of property.
(Dollars in thousands)

Line No.	Name of creditor company (a)	Rate of interest (b)	Balance at beginning of year (c)	Balance at close of year (d)	Interest accrued during year (e)	Interest paid during year (f)
		% \$	\$	\$	\$	\$
1	Open Accounts Not Subject to Current Settlement:					
2	Eastern Real Estate (1)					
3	Ironton Railroad Co.		66	80		
4	Port Reading R.R. Co.		774	689		
5	Port Reading-Property					
6	Taxes		204			
7	Wilmington & Northern					
8	Railroad Co.			135		
9						
10	TOTAL		1 044	904	None	None

NOTES AND REMARKS

(1) Less than \$1,000.00.

223. ITEMS IN SELECTED CURRENT LIABILITY ACCOUNTS

Give description and particulars for each item or class of items of like description in accounts Nos. 751, "Loans and notes payable"; 759, "Accrued accounts payable"; and 763, "Other current liabilities," at the close of the year. Show character of loans and notes, with name of creditor (or class of creditors), dates of issue and maturity, and appropriate description for each class of accrued accounts payable and for the other current liabilities. Show the three largest items regardless of the dollar amount and all other items (or the aggregate of a class of items of like description) amounting to \$250,000 or more. Each item or class of items

of like description amounting to less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000." The entries for each account shall be listed and the account number and the total for each account shall be shown corresponding to the amounts in Schedule 200L. In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

(Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Amount (c)
	759	Expenses Accrued Pending Receipt of Bills	\$ 2 139
1		Vacation Earned To Be Paid in 1974	5 210
2		Rents on Leased Equipment	1 146
3		Accrued Overcharge Claims	308
4		Accrued Loss & Damage Claims	284
5		Estimated Accrued Payroll	3 536
6		Estimated Bills Payable	695
7		Traffic & Car Service-Freight	5 360
8		Switching Claims	276
9		Accrued Personal Injury Claims	1 525
10		Traffic & Car Service-Suspense-Per Diem & Mileage Rentals	667
11		Maintenance of Equipment Derailment Expense	328
12		Other Items Each Less Than \$250,000	623
13			
14		Total Account No. 759	22 097
15			
16	763	Prepaid-Local and Interline Forwarded Traffic	4 883
17		Lease Purchase (1) 50-Ton Capacity Crane	20
18		Lease Purchase (2) Prime Movers	13
19		Other Items Each Less Than \$250,000	12
20			
21		Total Account No. 763	4 928
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
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34			
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43			
44			
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READING CO.

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CONTINUED

224. FEDERAL INCOME AND OTHER TAXES ACCRUED

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

"Other taxes accrued."
(Dollars in thousands)

Line No.	Kind of tax (a)	Previous years (b)		Current year (c)		Balance at close of year (d)	
		\$		\$		\$	
1	Federal income taxes _____ Total (account 760) _____						
2	Railway property State and local taxes (532) _____		15		4		19
3	Old-age retirement (532) _____		642		507	1	149
4	Unemployment insurance (532) _____		324				324
5	Miscellaneous operating property (535) _____		1				1
6	Miscellaneous tax accruals (544) _____						
7	All other taxes _____						
8	Total (account 761) _____		982		511	1	493

NOTES AND REMARKS

225. ITEMS IN SELECTED RESERVE AND OTHER LIABILITY ACCOUNTS

Give description and particulars for each item or class of items of like description in accounts Nos. 771, "Pension and welfare reserves"; 772, "Insurance reserves"; 774, "Casualty and other reserves"; 782, "Other liabilities"; and 784, "Other deferred credits," at the close of the year. Show creditor (or class of creditors) for deferred liabilities, and appropriate description of each class of operating reserve and for items of deferred credits. Show the three largest items regardless of the dollar amount and all other items (or the aggregate of a class of items of like description) amounting to \$250,000 or more. Each item or class of items

of like description amounting to less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000." The entries for each account shall be listed and the account number and the total for each account shall be shown corresponding to the amounts in Schedule 200L. In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

(Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Amount (c)
1	774	Personal Injury Claims in Suspense	\$ 3 481
2		Incentive Per Diem	313
3		Reserve for Hurricane "Agnos" Damage - 1972	430
4			
5		Total Account No. 774	4 224
6			
7	782	Siding Refunds Due Individuals & Companies	1 024
8		North Pennsylvania Railroad Equipment Acquired May 14, 1879	649
9		Interest on Trustee Obligation - 57 Locomotives	946
10		Pennsylvania-Reading Seashore Lines-Advances in Suspense	4 878
11		Accrued Rent on Leased Equipment	1 768
12		Other Items Each Less Than \$250,000	649
13			
14		Pre-Bankruptcy Items	
15		Traffic and Car Service	5 410
16		Leased Line Rentals	2 801
17		Accrued Taxes Plus Interest	9 676
18		Port Reading Railroad-Taxes and Interest	253
19		Personal Injury Claims	567
20		Taxes Due or Collected from Lessees	606
21		Various Accounts Payable for Material, Services, Etc.	3 024
22			
23		Total Account No. 782	32 251
24			
25	784	Deposits Account Sale of Real Estate	430
26		Deferred Credits Account Damage to Reading Company Property	274
27		Deferred Revenue-Port Reading Power Plant	134
28		Other Items Each Less Than \$250,000	464
29			
30		Total Account No. 784	1 302
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			

NOTES AND REMARKS

Note applicable to Schedule 228 - Authorized by the Stockholders of Reading Company on December 18, 1896. Pursuant to the decree of the U.S. District Court of the Eastern District of Pennsylvania entered June 28, 1923 in the Reading segregation case and to the agreement of merger dated October 1, 1923 between Reading Company, Philadelphia and Reading Railway Company, et al, the Capital Stock of Reading Company remained undisturbed and unchanged. The agreement of Merger was approved by the Public Service Commission of Pennsylvania, December 18, 1923.

229. CAPITAL STOCK CHANGES DURING THE YEAR

Give full particulars of stocks actually or nominally issued (either original issues or reissues) and of stocks reacquired or canceled during the year.

In the second section of the schedule show the particulars of the several issues on the same lines and in the same order as in the first section.

In column (c) state whether issued for construction of new properties, for additions and betterments, for purchase of railroad or other property, for conversion, for acquisition of securities, for reorganization, or for other corporate purposes. If an issue of securities was authorized for more than one purpose, state amount applicable to each purpose. Also give the number and date of the authorization by the public authority

under whose control such issue was made, naming such authority. In column (e) include as cash all money, checks, drafts, bills of exchange and other commercial paper payable at par on demand. For nominally issued stock, show returns in columns (a), (b), (c), and (d) only. For each class of stock actually issued, the sum of the entries in columns (e), (f), and (h), plus discounts or less premiums in column (g), should equal the total par value or the book value represented by the total number of shares reported in column (d).

Particulars concerning the reacquirement of stock that was actually outstanding should be given in columns (a), (i), and (j).
(Dollars in thousands)

Line No.	Class of stock (a)	STOCKS ISSUED DURING YEAR					
		Date of issue (b)	Purpose of the issue and authority (c)	Par value (for nonpar stock show the number of shares) (d)		Net proceeds received for issue (cash or its equivalent) (e)	
1				\$		\$	
2							
3							
4							
5							
6			None ✓				
7							
8							
9							
10							
11							
12							
13							
14							
15				Total			

Line No.	STOCKS ISSUED DURING YEAR—Concluded			STOCKS REACQUIRED DURING YEAR		Remarks (k)
	Cash value of other property acquired or services received as consideration for issue (f)	Net total discounts (in black) or premiums (in red). Excludes entries in column (h) (g)	Expense of issuing capital stock (h)	Par value (For nonpar stock show the number of shares) (i)	Purchase price (j)	
1	\$	\$	\$	\$	\$	
2						
3						
4						
5						
6						
7				None		
8						
9						
10						
11						
12						
13						
14						
15						

230. STOCK LIABILITY FOR CONVERSION OF SECURITIES OF OTHER COMPANIES

If at the close of the year respondent was subject to any liability to issue its own capital stock in exchange for outstanding securities of constituent of other companies, give full particulars thereof hereunder, includ-

ing names of parties to contracts and abstracts of terms of contracts whereunder such liability exists.

None

231. CAPITAL SURPLUS

Give an analysis in the form called for below of capital surplus accounts. In column (a) give a brief description of the item added or deducted and in column (b) insert the contra account number to which the

amount stated in column (c), (d) or (e) was charged or credited. (Dollars in thousands)

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)	
1	Balance at beginning of year	x x x	\$	None	\$	None	\$	794
	Additions during the year (describe):							
2								
3								
4								
5								
6	Total additions during the year	x x x		None		None		None
	Deductions during the year (describe):							
7								
8								
9								
10	Total deductions	x x x		None		None		None
11	Balance at close of year	x x x						794

232. RETAINED INCOME—APPROPRIATED

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

Line No.	Class of appropriation (a)	Credits during year (b)	Debits during year (c)	Balance at close of year (d)
		\$	\$	\$
1	Additions to property through retained income			
2	Funded debt retired through retained income			
3	Sinking fund reserves			
4	Incentive per diem funds			
5	Miscellaneous fund reserves			
6	Retained income—Appropriated not specifically invested			
	Other appropriations (specify):			
7				
8				
9				
10				
11				
12				
13				
14				
15				
16	TOTAL			

233. CONTINGENT ASSETS AND LIABILITIES

1. Give particulars with respect to contingent assets and liabilities at the close of the year, in accordance with Instruction 6-6 in the Uniform System of Accounts for Railroad Companies, that are not reflected in the accounts of the respondent. Show the three largest items regardless of the dollar amount and all other items amounting to \$250,000, or more. If an actual monetary amount is not known and an estimate of the amount of any item involved is not feasible, disclosure should be made describing the contingency and explaining why an estimate is not determinable.

Examples of contingent liabilities are items which may become obliga-

tions as a result of pending or threatened litigation, assessments or possible assessments of additional taxes and agreements or obligations to repurchase securities or property.

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

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

(Dollars in thousands)

Line No.	Item (a)	Amount (b)
	<u>CONTINGENT ASSETS</u>	\$
1		
2	In January 1974 the I.C.C. ruled that certain divisions of revenue	
3	between the Company and the Central Railroad Company of New Jersey (CNJ)	
4	should be reestablished for traffic moving between Allentown, Pa., and	
5	Phillipsburgh, N.J., retroactive to August 1972. The C.N.J. has appealed	
6	this ruling. Should the C.N.J. appeal be denied the Company would be	
7	entitled to receive from C.N.J. approximately \$800,000 of revenue for the	
8	period August 1972 to December 31, 1973.	800
9		
10	<u>CONTINGENT LIABILITIES</u>	
11		
12	Under an agreement dated November 23, 1932, the Company and Penn	
13	Central Transportation Company guarantee, jointly and severally, the pay-	
14	ment by Pennsylvania-Reading Seashore Lines of the rental and all other	
15	amounts due under the lease of the West Jersey and Seashore Railroad, and	
16	agree to provide from time to time such amounts as may be required by	
17	Pennsylvania-Reading Seashore Lines for operating expenses, taxes, fixed	
18	or other charges. As between themselves the above obligations are to be	
19	divided between the Company and Penn Central Transportation Company in	
20	proportion to their stock ownership, i.e., the Company one-third; Penn	
21	Central Transportation Company two-thirds.	
22		
23	The Company is obligated under equipment lease agreements which	
24	expire more than three years after December 31, 1973 with aggregate annual	
25	rentals ranging from approximately \$8,127,443 during 1974 to approximately	
26	\$162,996 during year 1989.	
27		
28	The actuarial liability of the fund that would be required under the	
29	Company's Supplemental Pension Plan in order for the Plan to be deemed	
30	fully funded, as of December 31, 1972.	11 301
31	The book value of the assets held by the First Pennsylvania Company,	
32	Trustee of the Pension Plan, amounts to \$4,160,784, as of December 31, 1972.	
33		
34	Suit was instituted against the Company in 1971 to recover damages	
35	arising from flood damage in Chester, Pennsylvania, allegedly caused by a	
36	railroad bridge which crosses Chester Creek backing up flood waters.*	
37		
38	The Company is a defendant in a suit filed in September 1971 by REA	
39	Express, Inc. against numerous railroads and other defendants seeking	
40	treble damages alleging violations of the Clayton Act and the Interstate	
41	Commerce Act.*	
42		
43	* Since, in the opinion of management, these suits have no merit	
44	an estimate has not been assigned.	
45		
46		
47		

300. 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.

2. In column (d) show against the appropriate account the amount of income that is offset by deductions in other income accounts of respondent so far as they relate to companies the operations of which are covered by this operating report. The amount of such deductions or dispositions to be also shown against appropriate accounts. For example, road (A) operates road (B) under

lease for a rental of \$1,000,000, but road (A) owns 50 percent of the stock of road (B) on which it receives \$250,000 in dividends. The entries in column (d) should be: Account No. 513, "Dividend income," \$250,000; Account No. 542, "Rent for leased roads and equipment," \$250,000. Again, if road (C) has issued its own securities to acquire a part or all of the securities of road (D), a separately operated carrier, no entries should be made in column (d) by road (C) even though dividends or interest be received on such securities held by road (C). But if road (D) is a

Line No.	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Offsetting debits and credits for current year (d)
	ORDINARY ITEMS			
	OPERATING INCOME			
	Railway Operating Income			
1	(501) Railway operating revenues (p. 69)	125 813	111 150	
2	(531) Railway operating expenses (p. 76)	109 734	102 756	
3	Net revenue from railway operations	16 079	8 394	
4	(532) Railway tax accruals (p. 82)	13 042	10 444	
5	Railway operating income	3 037	(2 050)	
	Rent Income			
6	(503) Hire of freight cars and highway revenue equipment—			
	Credit balance (p. 88)			
7	(504) Rent from locomotives (p. 89)	66	109	
8	(505) Rent from passenger-train cars (p. 89)	19	19	
9	(506) Rent from floating equipment	12	25	
10	(507) Rent from work equipment	15	4	
11	(508) Joint facility rent income	69	35	
12	Total rent income	181	192	
	Rents Payable			
13	(536) Hire of freight cars and highway revenue equipment—			
	Debit balance (p. 88)	9 423	8 020	
14	(537) Rent for locomotives (p. 89)	1 247	1 028	
15	(538) Rent for passenger-train cars (p. 89)	684	693	
16	(539) Rent for floating equipment	95	32	
17	(540) Rent for work equipment			
18	(541) Joint facility rents	446	495	
19	Total rents payable	11 895	10 268	
20	Net rents (lines 12, 19)	(11 714)	10 076	
21	Net railway operating income (lines 5, 20)	(8 677)	(12 126)	
	Other Income			
22	(502) Revenues from miscellaneous operations (p. 45)	152	141	
23	(509) Income from lease of road and equipment (p. 86)			
24	(510) Miscellaneous rent income (p. 86)	1 125	1 022	
25	(511) Income from nonoperating property (p. 45)	213	211	
26	(512) Separately operated properties—Profit (p. 87)	22	14	
27	(513) Dividend income	41	41	8
28	(514) Interest income	576	326	86
29	(516) Income from sinking and other reserve funds	311	88	7
30	(517) Release of premiums on funded debt	4	4	
31	(518) Contributions from other companies			
32	(519) Miscellaneous income (p. 92)	1 536	1 214	58
33	Total other income	3 980	3 061	159
34	Total income (lines 21, 33)	(4 697)	(9 065)	159
	Miscellaneous Deductions From Income			
35	(534) Expenses of miscellaneous operations (p. 45)	132	131	
36	(535) Taxes on miscellaneous operating property (p. 45)	35	34	
37	(543) Miscellaneous rents (p. 91)	21	20	
38	(544) Miscellaneous tax accruals (p. 45)	141	229	
39	(545) Separately operated properties—Loss (p. 87)	1 535	2 043	
40	(549) Maintenance of investment organization			
41	(550) Income transferred to other companies			
42	(551) Miscellaneous income charges (p. 92)	596	617	
43	Total miscellaneous deductions	2 460	3 074	
44	Income available for fixed charges (lines 34, 43)	(7 157)	(12 139)	159

300. INCOME ACCOUNT FOR THE YEAR—Continued

"proprietary" company for which no separate operating report is rendered, appropriate entries in column (d) should be made by road (C). If a leased road is assigned to another company for operation, the rent paid should be offset by the rent received. The examples indicated should not be taken to exclude others of a similar nature.

3. Returns for the year reported on lines 1 to 21, inclusive, should be analyzed in columns (e) to (k) in accordance with the Commission's rules governing the separation of operating expenses

between freight and passenger service; railroads.

4. Any unusual accruals involving substantial amounts included in column (b) on lines 6 to 53, inclusive, should be fully explained in a footnote.

5. All contra entries hereunder should be indicated in parenthesis.
(Dollars in thousands)

RAIL-LINE, INCLUDING WATER TRANSFERS										Other items not related to either freight or to passenger and allied services (k)		Line No.	
Related solely to freight service (e)		Apportioned to freight service (f)		Total freight service (g)		Related solely to passenger and allied services (h)		Apportioned to passenger and allied services (i)					Total passenger service (j)
\$		\$		\$		\$		\$		\$		\$	
108	190			108	190	17	516			17	516		107
65	464	26	022	91	486	13	762	4	331	18	096		152
X X	X X	X X	X X	16	704	X X	X X	X X	X X	(580)			(45)
	340	10	590	10	930	None		2	094	2	094		18
X X	X X	X X	X X	5	774	X X	X X	X X	X X	(2	674)		(63)
	66				66								
						19				19			
	12				12								
	15				15								
	69				69								
X X	X X	X X	X X		162	X X	X X	X X	X X	19			
9	423			9	423								
1	247			1	247								
						684				684			
	95				95								
	444				444	2				2			
X X	X X	X X	X X	11	209	X X	X X	X X	X X	686			
X X	X X	X X	X X	(11	047)	X X	X X	X X	X X	(667)			
X X	X X	X X	X X	(5	273)	X X	X X	X X	X X	(3	341)		(63)

If this report is made for a system, list hereunder the names of all companies included in the system returns:

300. INCOME ACCOUNT FOR THE YEAR—Concluded

Line No.	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Offsetting debits and credits for current year (d)
	Fixed Charges	\$	\$	\$
45	(542) Rent for leased roads and equipment (p. 90)	1 546	1 592	159
	(546) Interest on funded debt:			
46	(a) Fixed interest not in default	1 001	733	
47	(b) Interest in default	2 968	3 739	
48	(547) Interest on unfunded debt	14	16	
49	(548) Amortization of discount on funded debt	16	15	
50	Total fixed charges	5 545	6 095	159
51	Income after fixed charges (lines 44, 50)	(12 702)	(18 234)	None
	Other Deductions			
	(546) Interest on funded debt:			
52	(c) Contingent interest			
53	Ordinary income (lines 51, 52)	(12 702)	(18 234)	None
	EXTRAORDINARY AND PRIOR PERIOD ITEMS			
54	(570) Extraordinary items - Net Credit (Debit) (p. 92)		(1 849)	
55	(580) Prior period items - Net Credit (Debit) (p. 92)			
56	(590) Federal income taxes on extraordinary and prior period items - Debit (Credit) (p. 92)			
57	Total extraordinary and prior period items - Credit (Debit)			
58	Net income transferred to Retained Income - Unappropriated (lines 53, 57)	(12 702)	(20 083)	None

NOTE.—See page 67 for explanatory notes, which are an integral part of the Income Account for the Year.

NOTES AND REMARKS

Account No. 536 includes \$313,000 for incentive per diem for service months May to August 1973.

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 Schedule 350, under Section C pertaining to analysis of Federal income taxes. 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 in Schedule 396, page 92.

305. RETAINED INCOME—UNAPPROPRIATED

1. Show hereunder the items of the Retained Income Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for 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.
(Dollars in thousands)

Line No.	Item (a)	Amount (b)	Remarks (c)
	CREDITS	\$	
1	(602) Credit balance transferred from Income (p. 66)		Net of Federal income taxes - \$
2	(606) Other credits to retained income		
3	(622) Appropriations released		
4	Total		
	DEBITS		
5	(612) Debit balance transferred from Income (p. 66)	12 702	Net of Federal income taxes - \$ None
6	(616) Other debits to retained income	2 000	
7	(620) Appropriations for sinking and other reserve funds		
8	(621) Appropriations for other purposes		
9	(623) Dividends (p. 68)		
10	Total	14 702	
11	Net increase during year*	(14 702)	
12	Balance at beginning of year (p. 11)*	3 757	
13	Balance at end of year (carried to p. 11)*	(10 945)	

*Amount in parentheses indicates debit balance.

Note.—See p. 92, schedule 306, for analysis of Retained Income accounts.

308. 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 an 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. 305.

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)
1				\$	\$		
2							
3							
4							
5				None			
6							
7							
8							
9							
10							
11							
12							
13				Total			

310. RAILWAY OPERATING REVENUES

1. State the railway operating revenues of the respondent for the year classifying them in accordance with the Uniform System of Accounts for Railroad Companies and distribute the amounts among the classes of service as indicated. In the absence of records separating revenues between freight and passenger trains, the distribution should be estimated on the basis of the best data available.

2. Assign rail-line revenues, including revenues from water transfers and highway motor vehicle operations, to "Freight service" or to "Passenger and allied services" according to the type of train (or other equipment) by which the traffic moved.

3. Incidental revenues should be assigned as provided for in the schedule.

4. Revenues which are not assignable to freight service or to passenger and allied services are includible in column (e) only in cases where the related operating expenses are reportable in column (i) of schedule No. 320. If the expenses are assigned to the classes of service mentioned, the revenues likewise, should be distributed on an equitable basis.

5. Any unusual accruals involving substantial amounts included in column (b) should be fully explained in a footnote.
(Dollars in thousands)

Line No.	Class of railway operating revenues (a)	Amount of revenue for the year (b)		RAIL-LINE REVENUES, INCLUDING WATER TRANSFERS		Other revenues not assignable to freight or to passenger and allied services (e)		Remarks (f)
				Assignable to freight service (c)	Assignable to passenger and allied services (d)			
	Transportation—Rail-Line							
1	(101) Freight*	100	841	100	841			
2	(102) Passenger*	9	449		9	449	XX	XX
3	(103) Baggage		13			13	XX	XX
4	(104) Sleeping car						XX	XX
5	(105) Parlor and chair car						XX	XX
6	(106) Mail		17	17			XX	XX
7	(107) Express						XX	XX
8	(108) Other passenger-train†	7	641			7	641	XX
9	(109) Milk						XX	XX
10	(110) Switching*	1	904	1	904		XX	XX
11	(113) Water transfers						XX	XX
12	Total rail-line transportation revenue	119	865	102	762	17	103	
	Incidental							
13	(131) Dining and buffet		23			23	XX	XX
14	(132) Hotel and restaurant							
15	(133) Station, train, and boat privileges		84			84		
16	(135) Storage—Freight		213	213				
17	(137) Demurrage	3	502	3	502		XX	XX
18	(138) Communication						XX	XX
19	(139) Grain elevator							
20	(141) Power		107				XX	XX
21	(142) Rents of buildings and other property		504	198		306		107
22	(143) Miscellaneous	1	413	1	413			
23	Total incidental operating revenue	5	846	5	326	413		107
	Joint Facility							
24	(151) Joint facility—Cr		102	102				
25	(152) Joint facility—Dr							
26	Total joint facility operating revenue		102		102			
27	Total railway operating revenues	125	813	108	190	17	516	107
*Report hereunder the charges to these accounts representing: A. Payments made to others for—								
28	1. Terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates: _____ \$ 105 (a) Of the amount reported for item A.1, <u>None</u> % (to nearest whole number) represents payments for collection and delivery of LCL freight either in TOFC trailers or otherwise. The percentage reported is (check one): Actual (), Estimated ().							
29	2. 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 _____ \$ 3,268							
30	3. Substitute highway motor service in lieu of line-haul rail service performed under tariffs published by rail carriers (does not include traffic moved on joint rail-motor rates):							
31	(a) Payments for transportation of persons _____ \$ None (b) Payments for transportation of freight shipments _____ \$ None							
32	†Governmental aid for providing passenger commuter or other passenger-train service included in account 108, as provided in item (d) of that account _____ \$ 7,600							
NOTE.—Gross charges for protective services to perishable freight, without deduction for any proportion thereof credited to account No. 101, "Freight" (not required from switching and terminal companies):								
33	1. Charges for service for the protection against heat _____ \$ 33							
34	2. Charges for service for the protection against cold _____ \$ 2							

320. RAILWAY OPERATING EXPENSES

State the railway operating expenses on respondent's road for the year, classifying them in accordance with the Uniform System of Accounts for Railroad Companies, and analyzing them in accordance with the Commission's rules governing the separation of operating expenses between

freight and passenger service; railroads. The returns to accounts 202-221 should be classified as provided for by instructions pertaining to those accounts in the effective rules. The designations shown in column (a) for these accounts are defined as follows:

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)	
		\$	
	Maintenance of Way and Structures		
1	(201) Superintendence	1	341
2	(202) Roadway maintenance—Yard switching tracks		51
3	Roadway maintenance—Way switching tracks		6
4	Roadway maintenance—Running tracks		516
5	(206) Tunnels and subways—Yard switching tracks		-
6	Tunnels and subways—Way switching tracks		-
7	Tunnels and subways—Running tracks		17
8	(208) Bridges, trestles, and culverts—Yard switching tracks		-
9	Bridges, trestles, and culverts—Way switching tracks		-
10	Bridges, trestles, and culverts—Running tracks		211
11	(210) Elevated structures—Yard switching tracks		-
12	Elevated structures—Way switching tracks		-
13	Elevated structures—Running tracks		-
14	(212) Ties—Yard switching tracks		62
15	Ties—Way switching tracks	780	8
16	Ties—Running tracks		710
17	(214) Rails—Yard switching tracks		17
18	Rails—Way switching tracks	345	4
19	Rails—Running tracks		324
20	(216) Other track material—Yard switching tracks		17
21	Other track material—Way switching tracks		4
22	Other track material—Running tracks		323
23	(218) Ballast—Yard switching tracks		3
24	Ballast—Way switching tracks		1
25	Ballast—Running tracks		62
26	(220) Track laying and surfacing—Yard switching tracks		433
27	Track laying and surfacing—Way switching tracks		48
28	Track laying and surfacing—Running tracks	4	321
29	(221) Fences, snowsheds, and signs—Yard switching tracks		-
30	Fences, snowsheds, and signs—Way switching tracks		-
31	Fences, snowsheds, and signs—Running tracks		63
32	(227) Station and office buildings		784
33	(229) Roadway buildings		72
34	(231) Water stations		-
35	(233) Fuel stations		4
36	(235) Shops and engine houses		355
37	(237) Grain elevators		-
38	(239) Storage warehouses		-
39	(241) Wharves and docks		84
40	(243) Coal and ore wharves		500
41	(244) TOFC/COFC terminals		13
42	(247) Communication systems		337
43	(249) Signals and interlockers	1	421
44	(253) Power plants		34
45	(257) Power-transmission systems		303
46	(265) Miscellaneous structures		22
47	(266) Road property—Depreciation (p. 78)	2	363
48	(267) Retirements—Road (p. 78)		188
49	(269) Roadway machines		711

320. RAILWAY OPERATING EXPENSES—Continued

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

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

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

Any unusual accruals involving substantial amounts included in column (b) should be fully explained in a footnote.

(Dollars in thousands)

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS							Other expenses not related to either freight or to passenger and allied services (i)	Line No.
Expenses related solely to freight service (c)	Common expenses apportioned to freight service (d)	Total freight expense (e)	Related solely to passenger and allied services (f)	Common expenses apportioned to passenger and allied services (g)	Total passenger expense (h)			
\$	\$	\$	\$	\$	\$	\$	\$	
109	1 041	1 150	-	191	191			1
16	26	42	3	6	9			2
2	3	5	-	1	1			3
164	264	428	30	58	88			4
-	-	-	-	-	-			5
-	-	-	-	-	-			6
11	5	16	-	1	1			7
-	-	-	-	-	-			8
-	-	-	-	-	-			9
154	44	198	3	10	13			10
-	-	-	-	-	-			11
-	-	-	-	-	-			12
-	-	-	-	-	-			13
54	7	61	-	1	1			14
7	1	8	-	-	-			15
615	76	691	3	16	19			16
7	8	15	-	2	2			17
1	2	3	-	1	1			18
119	164	283	-	41	41			19
7	8	15	-	2	2			20
1	2	3	-	1	1			21
122	165	287	-	36	36			22
3	-	3	-	-	-			23
1	-	1	-	-	-			24
59	-	59	3	-	3			25
316	72	388	29	16	45			26
35	8	43	3	2	5			27
3 156	718	3 874	288	159	447			28
-	-	-	-	-	-			29
-	-	-	-	-	-			30
24	25	49	9	5	14			31
295	189	484	182	118	300			32
36	24	60	9	3	12			33
-	-	-	-	-	-			34
1	3	4	-	-	-			35
88	236	324	2	29	31			36
-	-	-	-	-	-			37
-	-	-	-	-	-			38
84	-	84	-	-	-			39
500	-	500	-	-	-			40
13	-	13	-	-	-			41
-	279	279	-	58	58			42
585	535	1 120	212	89	301			43
34	-	34	-	-	-			44
58	26	84	157	62	219			45
22	-	22	-	-	-			46
337	1 577	1 914	75	374	449			47
189	-	188	-	-	-			48
-	642	642	-	69	69			49

320. RAILWAY OPERATING EXPENSES—Continued

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)
Maintenance of Way and Structures—Continued		\$
50	(270) Dismantling retired road property	40
51	(271) Small tools and supplies	359
52	(272) Removing snow, ice, and sand	128
53	(273) Public improvements—Maintenance	221
54	(274) Injuries to persons	195
55	(275) Insurance	197
56	(276) Stationery and printing	21
57	(277) Employees' health and welfare benefits	623
58	(281) Right-of-way expenses	-
59	(282) Other expenses	4
60	(278) Maintaining joint tracks, yards, and other facilities—Dr	402
61	(279) Maintaining joint tracks, yards, and other facilities—Cr	1167
62	Total—All road property depreciation (account 266)	2 363
63	Total—All other maintenance of way and structures accounts	15 544
64	Total maintenance of way and structures	17 907
Maintenance of Equipment		
65	(301) Superintendence	1 287
66	(302) Shop machinery	273
67	(304) Power-plant machinery	232
68	(305) Shop and power-plant machinery—Depreciation (p. 80)	193
69	(306) Dismantling retired shop and power-plant machinery	-
70	(311) Locomotives—Repairs, Diesel locomotives—Yard	1 088
71	Locomotives—Repairs, Diesel locomotives—Other	3 267
72	Locomotives—Repairs, Other than Diesel—Yard	-
73	Locomotives—Repairs, Other than Diesel—Other	-
74	(314) Freight-train cars—Repairs*	6 184
75	(317) Passenger-train cars—Repairs	2 877
76	(318) Highway revenue equipment—Repairs	276
77	(323) Floating equipment—Repairs	30
78	(325) Work equipment—Repairs	152
79	(328) Miscellaneous equipment—Repairs	414
80	(329) Dismantling retired equipment	-
81	(330) Retirements—Equipment (p. 80)	(4)
82	(331) Equipment—Depreciation (p. 80)	4 512
83	(332) Injuries to persons	294
84	(333) Insurance	229
85	(334) Stationery and printing	48
86	(335) Employees' health and welfare benefits	969
87	(339) Other expenses	33
88	(336) Joint maintenance of equipment expenses—Dr	125
89	(337) Joint maintenance of equipment expenses—Cr	511
90	Total—All equipment depreciation (accounts 305 and 331)	4 705
91	Total—All other maintenance of equipment accounts	17 723
92	Total maintenance of equipment	22 428
93	*Includes charges for work done by others of	\$ 1,549
94	and credits for work charged to others in the amount of	\$ 1,614

320. RAILWAY OPERATING EXPENSES—Continued

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS										Line No.
Expenses related solely to freight service (c)	Common expenses apportioned to freight service (d)	Total freight expense (e)	Related solely to passenger and allied services (f)	Common expenses apportioned to passenger and allied services (g)	Total passenger expense (h)	Other expenses not related to either freight or to passenger and allied services (i)				
\$	\$	\$	\$	\$	\$	\$				
39	1	40	-	-	-	-			50	
23	302	325	2	32	34				51	
92	30	122	2	4	6				52	
169	47	216	-	5	5				53	
191	(3)	188	7	-	7				54	
48	126	174	2	21	23				55	
-	18	18	-	3	3				56	
-	535	535	-	88	88				57	
-	-	-	-	-	-				58	
-	4	4	-	-	-				59	
400	-	400	2	-	2				60	
(16)	-	(16)	-	-	-				61	
337	1 577	1 914	75	374	449				62	
7 833	5 633	13 466	948	1 130	2 078				63	
8 170	7 210	15 380	1 023	1 504	2 527				64	
-	1 036	1 036	-	251	251				65	
14	199	213	5	55	60				66	
95	81	176	37	19	56				67	
5	146	151	-	42	42				68	
-	-	-	-	-	-				69	
-	1 084	1 084	-	4	4				70	
-	3 255	3 255	-	12	12				71	
-	-	-	-	-	-				72	
-	-	-	-	-	-				73	
6 184	-	6 184	-	-	-				74	
-	-	-	2 877	-	2 877				75	
276	-	276	-	-	-				76	
30	-	30	-	-	-				77	
69	70	139	-	13	13				78	
79	278	357	-	57	57				79	
-	-	-	-	-	-				80	
(4)	-	(4)	-	-	-				81	
2 513	1 797	4 310	161	41	202				82	
303	(4)	299	(4)	(1)	(5)				83	
63	135	198	-	31	31				84	
-	39	39	-	9	9				85	
-	794	794	-	175	175				86	
1	26	27	-	6	6				87	
125	-	125	-	-	-				88	
(51)	-	(51)	-	-	-				89	
2 518	1 943	4 461	161	83	244				90	
7 184	6 993	14 177	2 915	631	3 546				91	
9 702	8 936	18 638	3 076	714	3 790				92	

320. RAILWAY OPERATING EXPENSES—Continued

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)	
	Traffic	\$	
95	(351) Superintendence	1	488
96	(352) Outside agencies	1	049
97	(353) Advertising*		48
98	(354) Traffic associations		66
99	(355) Fast freight lines		-
100	(356) Industrial and immigration bureaus		45
101	(357) Insurance		6
102	(358) Stationery and printing		80
103	(359) Employees' health and welfare benefits		95
104	(360) Other expenses		1
105	Total traffic	2	878
	Transportation—Rail Line		
106	(371) Superintendence	2	670
107	(372) Dispatching trains		612
108	(373) Station employees	4	964
109	(374) Weighing, inspection, and demurrage bureaus		60
110	(375) Coal and ore wharves	1	705
111	(376) Station supplies and expenses		723
112	(377) Yardmasters and yard clerks	3	706
113	(378) Yard conductors and brakemen	6	104
114	(379) Yard switch and signal tenders		414
115	(380) Yard enginemen	3	899
116	(382) Yard switching fuel		501
117	(383) Yard switching power produced		-
118	(384) Yard switching power purchased		71
119	(388) Servicing yard locomotives		293
120	(389) Yard supplies and expenses		275
121	(392) Train enginemen	5	724
122	(394) Train fuel	2	367
123	(395) Train power produced		-
124	(396) Train power purchased	1	505
125	(400) Servicing train locomotives	1	288
126	(401) Trainmen	9	543
127	(402) Train supplies and expenses**	2	530
128	(403) Operating sleeping cars		-
129	(404) Signal and interlocker operation	1	177
130	(405) Crossing protection		364
131	(406) Drawbridge operation		50
132	(407) Communication system operation		233
133	(408) Operating floating equipment		275
134	(409) Employees' health and welfare benefits	1	969
135	(410) Stationery and printing		194
136	*Value of transportation issued in exchange for advertising		None
	**Includes gross charges and credits for heater and refrigerator service as follows:		
137	Freight train cars: Refrigerator-Charges		98
138	-Credits		33
139	Heater-Charges		-
140	-Credits		2
141	TOFC trailers: Refrigerator-Charges		16
142	-Credits		-
143	Heater-Charges		-
144	-Credits		-

320. RAILWAY OPERATING EXPENSES—Continued

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS										Line No.
Expenses related solely to freight service (c)	Common expenses apportioned to freight service (d)		Total freight expense (e)	Related solely to passenger and allied services (f)	Common expenses apportioned to passenger and allied services (g)		Total passenger expense (h)	Other expenses not related to either freight or to passenger and allied services (i)		
\$		\$	\$	\$	\$	\$	\$	\$		
1 238		-	1 238	250		-	250			95
1 049		-	1 049	-		-	-			96
3		-	3	45		-	45			97
66		-	66	-		-	-			98
-		-	-	-		-	-			99
45		-	45	-		-	-			100
6		-	6	-		-	-			101
60		-	60	20		-	20			102
80		-	80	15		-	15			103
1		-	1	-		-	-			104
2 548		-	2 548	330		-	330			105
1 233	1 125		2 358	54		258	312			106
37	337		374	68		170	238			107
3 416	524		3 940	888		136	1 024			108
60	-		60	-		-	-			109
1 705	-		1 705	-		-	-			110
403	72		475	212		36	248			111
3 193	494		3 687	19		-	19			112
5 825	-		5 825	279		-	279			113
284	31		315	99		-	99			114
3 715	-		3 715	184		-	184			115
501	-		501	-		-	-			116
-	-		-	-		-	-			117
-	-		-	71		-	71			118
293	-		293	-		-	-			119
267	-		267	8		-	8			120
3 923	-		3 923	1 801		-	1 801			121
2 272	-		2 272	95		-	95			122
-	-		-	-		-	-			123
-	-		-	1 505		-	1 505			124
1 073	-		1 073	215		-	215			125
6 750	-		6 750	2 793		-	2 793			126
1 852	-		1 852	678		-	678			127
-	-		-	-		-	-			128
464	594		1 058	13		106	119			129
264	85		349	-		15	15			130
50	-		50	-		-	-			131
81	126		207	-		26	26			132
275	-		275	-		-	-			133
53	1 558		1 611	-		358	358			134
20	109		129	39		26	65			135

320. RAILWAY OPERATING EXPENSES—Continued

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)
	Transportation—Rail Line	\$
145	(411) Other expenses	142
146	(414) Insurance	341
147	(415) Clearing wrecks	517
148	(416) Damage to property	389
149	(417) Damage to livestock on right of way	-
150	(418) Loss and damage—Freight	786
151	(419) Loss and damage—Baggage	-
152	(420) Injuries to persons	1 563
153	(421) TOFC/COFC terminals	814
154	(422) Other highway transportation expenses	17
155	(390) Operating joint yards and terminals—Dr	858
156	(391) Operating joint yards and terminals—Cr	(188)
157	(412) Operating joint tracks and facilities—Dr	321
158	(413) Operating joint tracks and facilities—Cr	(112)
159	Total transportation—Rail line	58 664
	Miscellaneous Operations	
160	(441) Dining and buffet service	22
161	(442) Hotels and restaurants	-
162	(443) Grain elevators	-
163	(445) Producing power sold	152
164	(446) Other miscellaneous operations	-
165	(449) Employees' health and welfare benefits	2
166	(447) Operating joint miscellaneous facilities—Dr	-
167	(448) Operating joint miscellaneous facilities—Cr	-
168	Total miscellaneous operations	176
	General	
169	(451) Salaries and expenses of general officers	681
170	(452) Salaries and expenses of clerks and attendants	4 736
171	(453) General office supplies and expenses	301
172	(454) Law expenses	553
173	(455) Insurance	3
174	(456) Employees' health and welfare benefits	276
175	(457) Pensions	462
176	(458) Stationery and printing	200
177	(460) Other expenses*	442
178	(461) General joint facilities—Dr	27
179	(462) General joint facilities—Cr	-
180	Total general expenses	7 681
181	Grand total railway operating expenses	109 734
182	Operating ratio (ratio of operating expenses to operating revenues) percent. (Two decimal places required)	87.22 %
183	Amount of employee compensation † (applicable to the current year) chargeable to operating expenses	\$ 73 041

*Give description and amount of charges to account No. 460, "Other expenses," for severance payments made to employees. This includes payments made as a result of agreements with employee organizations and awards pursuant to decisions of arbitration boards or by specific orders of this Commission or by voluntary action on the part of respondent. This also includes severance payments in cases relating to mergers and situations involving reduction in employees because of abandonment or consolidation of facilities.

Description of payments

Amount

Guarantee Payments Account Consolidation
of Forces and Other Revision of Forces

\$ 239

\$ 239

†Includes "straight time paid for" in train and engine service, and "time actually worked and paid for at straight time rates" in other services; all overtime in train and engine service, and overtime paid for at punitive rates in other services; and "constructive allowances, including vacations and holidays" in train and engine service and "vacations, holidays, and other allowances" in other services. (Compensation chargeable to operating expenses applicable to prior years, which was paid or is payable under labor awards of the current year or for other reasons, should be shown in Schedule 561C and not included in this return.)

320. RAILWAY OPERATING EXPENSES—Concluded

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS										Line No.				
Expenses related solely to freight service (c)		Common expenses apportioned to freight service (d)		Total freight expense (e)		Related solely to passenger and allied services (f)		Common expenses apportioned to passenger and allied services (g)			Total passenger expense (h)		Other expenses not related to either freight or to passenger and allied services (i)	
\$		\$		\$		\$		\$		\$		\$		
	24		53		77		53		12		65			145
	225		21		246		87		8		95			146
	507		-		507		10		-		10			147
	388		-		388		1		-		1			148
	-		-		-		-		-		-			149
	786		-		786		-		-		-			150
	-		-		-		-		-		-			151
1	460		(1)	1	459		104		-		104			152
	814		-		814		-		-		-			153
	17		-		17		-		-		-			154
	858		-		858		-		-		-			155
	(188)		-		(188)		-		-		-			156
	297		-		297		24		-		24			157
	(112)		-		(112)		-		-		-			158
43	085	5	128	48	213	9	300	1	151	10	451			159
	-		-		-		22		-		22			160
	-		-		-		-		-		-			161
	-		-		-		-		-		-			162
	-		-		-		-		-		-		152	163
	-		-		-		-		-		-			164
	-		-		-		2		-		2			165
	-		-		-		-		-		-			166
	-		-		-		-		-		-			167
	-		-		-		24		-		24		152	168
	2		565		567		-		114		114			169
1	689	2	528	4	217		8		511		519			170
	10		239		249		4		48		52			171
	-		460		460		-		93		93			172
	-		2		2		-		1		1			173
	-		229		229		-		47		47			174
	-		384		384		-		78		78			175
	4		163		167		-		33		33			176
	227		178		405		-		37		37			177
	27		-		27		-		-		-			178
	-		-		-		-		-		-			179
1	959	4	748	6	707		12		962		974			180
65	464	26	022	91	486	13	765	4	331	18	096		152	181

322. ROAD PROPERTY—DEPRECIATION

Give the particulars called for with respect to the amount charged to account 266, "Road property—Depreciation," for the year.

Line No.	Subaccount (Dollars in thousands) (a)	Amount of operating expenses for the year (b)	
		\$	
1	(1) Engineering _____		76
2	(2 1/2) Other right-of-way expenditures _____		1
3	(3) Grading _____		54
4	(5) Tunnels and subways _____		16
5	(6) Bridges, trestles, and culverts _____		436
6	(7) Elevated structures _____		-
7	(13) Fences, snowsheds, and signs _____		11
8	(16) Station and office buildings _____		270
9	(17) Roadway buildings _____		5
10	(18) Water stations _____		-
11	(19) Fuel stations _____		8
12	(20) Shops and enginehouses _____		177
13	(21) Grain elevators _____		
14	(22) Storage warehouses _____		
15	(23) Wharves and docks _____		33
16	(24) Coal and ore wharves _____		110
17	(25) TOFC/COFC terminals _____		12
18	(26) Communication systems _____		87
19	(27) Signals and interlockers _____		546
20	(29) Power plants _____		12
21	(31) Power-transmission systems _____		144
22	(35) Miscellaneous structures _____		11
23	(37) Roadway machines _____		262
24	(39) Public improvements—Construction _____		92
25	All other road accounts _____		
26	Total (account 266)		2 363

324. RETIREMENTS—ROAD

Give the particulars called for with respect to the amount included in account 267, "Retirements—Road," for the year.

Line No.	Subaccount (Dollars in thousands) (a)	Amount of operating expenses for the year (b)	
		\$	
1	(1) Engineering _____		5
2	(2 1/2) Other right-of-way expenditures _____		
3	(3) Grading _____		43
4	(5) Tunnels and subways _____		
5	(8) Ties _____		36
6	(9) Rails _____		23
7	(10) Other track material _____		1
8	(11) Ballast _____		5
9	(12) Track laying and surfacing _____		36
10	(38) Roadway small tools _____		(1)
11	(39) Public improvements—Construction _____		7
12	(43) Other expenditures—Road _____		
13	(76) Interest during construction _____		31
14	(77) Other expenditures—General _____		2
15	(80) Other elements of investment _____		
16	All other road accounts _____		
17	Total (account 267)		188

322. ROAD PROPERTY—DEPRECIATION

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS												Line No.		
Expenses related solely to freight service		Common expenses apportioned to freight service		Total freight expense		Related solely to passenger and allied services		Common expenses apportioned to passenger and allied services		Total passenger expense			Other expenses not related to either freight or to passenger and allied services	
(c)		(d)		(e)		(f)		(g)		(h)			(i)	
\$	6	\$	54	\$	60	\$	3	\$	13	\$	16	\$		1
	-		1		1		-		-		-			2
	4		39		43		2		9		11			3
	1		12		13		1		2		3			4
	36		311		347		15		74		89			5
	-		-		-		-		-		-			6
	1		8		9		-		2		2			7
	22		193		215		9		46		55			8
	-		4		4		-		1		1			9
	-		-		-		-		-		-			10
	1		5		6		-		2		2			11
	15		126		141		6		30		36			12
	-		-		-		-		-		-			13
	-		-		-		-		-		-			14
	33		-		33		-		-		-			15
	110		-		110		-		-		-			16
	12		-		12		-		-		-			17
	7		62		69		3		15		18			18
	45		390		435		19		92		111			19
	1		9		10		-		2		2			20
	12		103		115		5		24		29			21
	1		8		9		-		2		2			22
	22		187		209		9		44		53			23
	8		65		73		3		16		19			24
														25
	337		1 577		1 914		75		374		449			26

324. RETIREMENTS—ROAD

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS												Line No.		
Expenses related solely to freight service		Common expenses apportioned to freight service		Total freight expense		Related solely to passenger and allied services		Common expenses apportioned to passenger and allied services		Total passenger expense			Other expenses not related to either freight or to passenger and allied services	
(c)		(d)		(e)		(f)		(g)		(h)			(i)	
\$	5	\$		\$	5	\$		\$		\$		\$		1
														2
	43				43									3
														4
	36				36									5
	23				23									6
	1				1									7
	5				5									8
	36				36									9
	(1)				(1)									10
	7				7									11
														12
	31				31									13
	2				2									14
														15
														16
	188				188									17

326. SHOP AND POWER-PLANT MACHINERY—DEPRECIATION

Give the particulars called for with respect to the amount charged to account 305, "Shop and power-plant machinery—Depreciation," for the year.

Line No.	Subaccount (a) (Dollars in thousands)	Amount of operating expenses for the year (b)	
		\$	
1	(44) Shop machinery _____		105
2	(45) Power-plant machinery _____		88
3	Total (account 305) _____		193

328. RETIREMENTS—EQUIPMENT

Give the particulars called for with respect to the amount included in account 330, "Retirements—Equipment," for the year.

Line No.	Subaccount (a) (Dollars in thousands)	Amount of operating expenses for the year (b)	
		\$	
1	(52) Locomotives _____		
2	(53) Freight-train cars _____		(4)
3	(54) Passenger-train cars _____		
4	(55) Highway revenue equipment _____		
5	(56) Floating equipment _____		
6	(57) Work equipment _____		
7	(58) Miscellaneous equipment _____		
8	(76) Interest during construction _____		
9	(77) Other expenditures—General _____		
10	(80) Other elements of investment _____		
11	Total (account 330) _____		(4)

330. EQUIPMENT—DEPRECIATION

Give the particulars called for with respect to the amount charged to account 331, "Equipment—Depreciation," for the year.

Line No.	Subaccount (a) (Dollars in thousands)	Amount of operating expenses for the year (b)	
		\$	
1	(52) Locomotives-Yard _____		231
2	(52) Locomotives-Other _____	1	405
3	(53) Freight-train cars _____	2	436
4	(54) Passenger-train cars _____		161
5	(55) Highway revenue equipment _____		47
6	(56) Floating equipment _____		30
7	(57) Work equipment _____		47
8	(58) Miscellaneous equipment _____		155
9	Total (account 331) _____	4	512

326. SHOP AND POWER-PLANT MACHINERY—DEPRECIATION—Continued

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS										Other expenses not related to either freight or to passenger and allied services (i)	Line No.		
Expenses related solely to freight service (c)		Common expenses apportioned to freight service (d)		Total freight expense (e)		Related solely to passenger and allied services (f)		Common expenses apportioned to passenger and allied services (g)				Total passenger expense (h)	
\$		\$		\$		\$		\$		\$			
	3		79		82		-		23		23		1
	2		67		69		-		19		19		2
	5		146		151		-		42		42		3

328. RETIREMENTS-EQUIPMENT—Continued

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS													Line No.	
Expenses related solely to freight service (c)		Common expenses apportioned to freight service (d)		Total freight expense (e)		Related solely to passenger and allied services (f)		Common expenses apportioned to passenger and allied services (g)		Total passenger expense (h)		Other expenses not related to either freight or to passenger and allied services (i)		
\$		\$		\$		\$		\$		\$		\$		
	(4)				(4)									1
														2
														3
														4
														5
														6
														7
														8
														9
														10
	(4)				(4)									11

330. EQUIPMENT-DEPRECIATION—Continued

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS												Line No.		
Expenses related solely to freight service (c)		Common expenses apportioned to freight service (d)		Total freight expense (e)		Related solely to passenger and allied services (f)		Common expenses apportioned to passenger and allied services (g)		Total passenger expense (h)			Other expenses not related to either freight or to passenger and allied services (i)	
\$		\$		\$		\$		\$		\$		\$		
	-		230		230		-		1		1			1
	-	1	400	1	400		-		5		5			2
2	436		-	2	436		-		-		-			3
	-		-		-		161		-		161			4
	47		-		47		-		-		-			5
	30		-		30		-		-		-			6
	-		38		38		-		9		9			7
	-		129		129		-		26		26			8
2	513	1	797	4	310		161		41		202			9

350. RAILWAY TAX ACCRUALS

1. In Sections A and B show the particulars called for with respect to net accruals of taxes on railroad property, and U.S. Government taxes charged to account 532, "Railway tax accruals" of the respondent's In-

come account for the year.

2. In Section C show an analysis and distribution of Federal income taxes. (Dollars in thousands)

A. Other than U.S. Government Taxes

Line No.	State (a)	Amount (b)	State (a)	Amount (b)	Line No.
		\$		\$	
1	Alabama		South Dakota		41
2	Alaska		Tennessee		42
3	Arizona		Texas		43
4	Arkansas		Utah		44
5	California		Vermont		45
6	Colorado		Virginia		46
7	Connecticut		Washington		47
8	Delaware	13	West Virginia		48
9	Florida		Wisconsin		49
10	Georgia		Wyoming		50
11	Hawaii		District of Columbia		51
12	Idaho		Other States Less Than \$1,000 Each	2	
13	Illinois		Other		
14	Indiana		Canada	2	52
15	Iowa		Mexico		53
16	Kansas		Puerto Rico		54
17	Kentucky				55
18	Louisiana		Total—Other than U.S. Government Taxes	3 729	56
19	Maine				
20	Maryland		B. U.S. Government Taxes		
21	Massachusetts		Kind of tax (a)	Amount (b)	
22	Michigan			\$	
23	Minnesota				
24	Mississippi		Income taxes:		
25	Missouri		Normal tax and surtax	340	57
26	Montana		Excess profits	-	58
27	Nebraska		Total—Income taxes	340	59
28	Nevada		Old-age retirement*	7 908	60
29	New Hampshire		Unemployment insurance	1 063	61
30	New Jersey	209	All other United States Taxes	2	62
31	New Mexico		Total—U.S. Government taxes	9 313	63
32	New York		Grand Total—Railway Tax Accruals (account 532)	13 042	64
33	North Carolina				
34	North Dakota				
35	Ohio				
36	Oklahoma		*Includes taxes for hospital insurance (Medicare) and supplemental annuities as follows:		
37	Oregon				
38	Pennsylvania	3 503	Hospital insurance	\$ 603	65
39	Rhode Island		Supplemental annuities	953	66
40	South Carolina				

350. RAILWAY TAX ACCRUALS—Continued

C. Analysis of Federal Income Taxes

Line No.	Item (a)	Amount (b)	Item (a)	Amount (b)	Line No.
67	Provision for income taxes based on taxable net income recorded in the accounts for the year	\$ 340		\$	73
68	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	None			74
					75
					76
					77
69	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	None	Net applicable to the current year	340	78
			Adjustments applicable to previous years (net-debit or credit), except carry-backs and carry-overs	None	79
			Adjustments for carry-backs	None	80
70	Net decrease (or increase) because of investment tax credit authorized in Revenue Act of 1962	None	Adjustments for carry-overs	None	81
			Total	340	82
71	Net decrease (or increase) because of accelerated amortization of certain rolling stock under section 184 of the Internal Revenue Code and basis used for book depreciation	None	Distribution:		83
			Account 532	340	84
			Account 590		85
			Other (Specify)		86
72	Net decrease or (or increase) because of amortization of certain rights-of-way investment under section 185 of the Internal Revenue Code	None	Total	340	87
					88

Note.—The amount shown on line 59 should equal line 84; the amount shown on line 83 should equal line 88.

351. RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report hereunder a reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount.

2. If the respondent is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, inter-company amounts to be eliminated in such consolidated return.

Line No.	Item (a)	(Dollars in thousands)	Amount (b)
1	Net income for year from Schedule 300 (p. 66)		\$
	Reconciling amounts (list additional income and unallowable deductions followed by additional deductions and nontaxable income):		
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13	Federal tax net income		
14	Amount taxed as ordinary income	\$	XXXXXXXXXX
15	Amount taxed as capital gains		XXXXXXXXXX
16	Total (should be same as line 13)		XXXXXXXXXX

352. COMPUTATION OF FEDERAL INCOME TAXES

All carriers who are not members of a group which files a consolidated Federal tax return shall complete parts 1 and 3. Carriers who are members of a group which files a consolidated Federal tax return shall com-

plete parts 2 and 3. All carriers shall furnish information requested at bottom of schedule.
(Dollars in thousands)

Line No.	Item (a)	Amount (b)
		\$
1	1. Computation of tax accrual on a separate return:	
1	Tax on ordinary income _____	
2	Tax on capital gains _____	
3	Total tax _____	
4	Less tax credits _____	
5	Tax accrual for year _____	
	2. If respondent is a member of an affiliated group which files a consolidated tax return, compute tax accrual in (a) as if filing on a separate return basis. Also compute tax accrual in (b) to reflect tax liability as allocated to respondent on consolidated tax return and complete Schedule 353.	
	(a) Computation of tax on separate return basis:	
6	Tax on ordinary income _____	
7	Tax on capital gains _____	
8	Total tax _____	
9	Less tax credits _____	
10	Tax accrual for year _____	
	(b) Allocation of tax on consolidated return:	
11	Allocated tax on ordinary income _____	
12	Allocated tax on capital gains _____	
13	Total tax _____	
14	Less tax credits allocated to respondent _____	
15	Tax accrual for year _____	
	3. Distribution of tax accrual:	
16	Account 532 _____ \$ _____	
17	Account 590 _____	
18	Other (Specify) _____	
19	_____	
20	Tax accrual for year _____	
21	1. Net decrease (or increase) in tax because of computing book depreciation under Commission rules and computing tax depreciation using the items listed below:	\$
	-Accelerated depreciation under section 167 of the Internal Revenue Code.	
	-Guideline lives pursuant to Revenue Procedure 62-21.	
	-Guideline lives under Class Life System (Asset Depreciation Range) as provided in the Revenue Act of 1971.	
22	2. Net increase (or decrease) in tax because of accelerated amortization of facilities under Section 168 of the Internal Revenue Code for tax purposes and different basis used for book depreciation.	\$
23	(a) Indicate method elected by carrier, as provided in the Revenue Act of 1971, to account for the investment tax credit.	
	Flow-through _____ Deferral _____	
24	(b) If flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit.	\$
25	(c) If deferral method was elected, indicate amount of investment tax credit utilized as a reduction of tax liability for current year.	\$
26	3. Deduct amount of current year's investment tax credit applied to reduction of tax liability but deferred for accounting purposes.	\$
27	4. Balance of current year's investment tax credit used to reduce current year's tax accrual.	\$
28	5. Add amount of prior years' deferred investment tax credits being amortized and used to reduce current year's tax accrual.	\$
29	6. Total decrease in current year's tax accrual resulting from use of investment tax credits.	\$
30	7. Net decrease (or increase) in tax because of accelerated amortization of certain rolling stock under Section 184 of the Internal Revenue Code and basis used for book depreciation.	\$
31	8. Net decrease (or increase) in tax because of amortization of certain rights-of-way investment under Section 185 of the Internal Revenue Code.	\$

353. CONSOLIDATED FEDERAL INCOME TAX INFORMATION

To be completed by carriers who are members of a group which files a consolidated Federal tax return. Give particulars for latest consolidated return filed. (Dollars in thousands)

Line No.	Name of Company:																																																																																																																																																																																																						
1	1. Schedule of affiliated companies included in consolidated return and allocation of tax liability for tax year ended _____, 19____																																																																																																																																																																																																						
	<table border="1"> <thead> <tr> <th>Item (a)</th> <th colspan="2">Book Income (b)</th> <th colspan="2">Taxable Income (c)</th> <th colspan="2">Tax liability on separate return basis (d)</th> <th colspan="2">Tax allocated on consolidated return (e)</th> </tr> <tr> <th></th> <th>\$</th> <th></th> <th>\$</th> <th></th> <th>\$</th> <th></th> <th>\$</th> <th></th> </tr> </thead> <tbody> <tr> <td>Carriers regulated by ICC:</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>2 Respondent _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>Other carriers:</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>3 _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>4 _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>5 _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>6 _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>7 _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>8 _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>9 _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>10 Totals-ICC regulated carriers _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>Other affiliates:</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>11 _____</td> <td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td> </tr> <tr> <td>12 _____</td> <td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td> </tr> <tr> <td>13 _____</td> <td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td> </tr> <tr> <td>14 _____</td> <td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td> </tr> <tr> <td>15 _____</td> <td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td> </tr> <tr> <td>16 _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>17 Totals-Other affiliates _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>18 Grand totals _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </tbody> </table>	Item (a)	Book Income (b)		Taxable Income (c)		Tax liability on separate return basis (d)		Tax allocated on consolidated return (e)			\$		\$		\$		\$		Carriers regulated by ICC:									2 Respondent _____									Other carriers:									3 _____									4 _____									5 _____									6 _____									7 _____									8 _____									9 _____									10 Totals-ICC regulated carriers _____									Other affiliates:									11 _____	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	12 _____	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	13 _____	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	14 _____	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	15 _____	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	16 _____									17 Totals-Other affiliates _____									18 Grand totals _____								
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19	2. Indicate method of allocating the consolidated tax liability to the affiliated companies as elected under the provisions of Internal Revenue Code Section 1552 by specifying subsection 1, 2, 3 or 4. If subsection 4 is designated, describe method of allocation.																																																																																																																																																																																																						
20	Consolidated tax liability is allocated under Section 1552 (a) ()																																																																																																																																																																																																						
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23	3. (a) Are tax loss companies paid by the group for the tax benefits arising from the inclusion of their losses in the consolidated return? Specify. Yes__No__																																																																																																																																																																																																						
24	(b) If loss companies are paid for tax benefits, describe method of allocating the tax savings and the method of payment.																																																																																																																																																																																																						
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371. INCOME FROM LEASE OF ROAD AND EQUIPMENT

1. Give particulars called for with respect to road and equipment leased to others during the year, the rent of which is includible in account No. 509, "Income from lease of road and equipment".

2. If the respondent leased to others during all or any part of the year any road and equipment upon which no rent receivable accrued, give par-

ticulars in a footnote. Show the three largest items regardless of the dollar amount and all other items amounting to \$250,000 or more. Each item less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000."
(Dollars in thousands)

Line No.	Description of property (a)	Name of lessee (b)	Total rent accrued during year (account 509) (c)
1			\$
2			
3		NONE	
4			
5		Total	

371A. ABSTRACT OF TERMS AND CONDITIONS OF LEASES

Give brief abstracts of the terms and conditions of the leases under which the above-stated rents are derived, showing particularly (1) the date of the grant, (2) the chain of title (in case of assignment or subletting) and dates of transfer connecting the original parties with the present parties, (3) the basis on which the amount of the annual rent is determined, and (4) the date when the lease will terminate, or, if the date of termination has not yet been fixed, the provisions governing the termination of the lease. Also give reference to the Interstate Commerce Commission's authority for the lease, if any. If none, state the reasons therefor. Only

changes during the year are required.—Indicate the year in which reference was made to the original lease, and also the year or years in which any change in lease was mentioned.

Copies of leases may be filed in lieu of abstracts above called for. References to copies filed in prior years should be specific.

If the respondent has any reversionary interest in railroad property from which it derives no rent, give the particulars hereunder; if it has no such reversionary interest, state that fact.

NONE

372. MISCELLANEOUS RENT INCOME

Give particulars of rents receivable accrued for use of all properties not otherwise specified under rents receivable. This account is for rent income from property not operated by the respondent but the cost of which is properly included in cost of road and equipment. It should not be confused with operating revenue account No. 142, "Rents of buildings and other property", which is for rent revenue from operated property in road and equipment the cost of operation of which cannot be separately

stated.

Show amount of rent from three properties producing largest income regardless of amount, and all properties producing income of \$250,000, or more. Other properties whose income is less than \$250,000 may be combined into a single entry designated, "Other items, each less than \$250,000 per annum."

Line No.	Description of Property		Name of lessee (c)	Amount of rent (d)	
	Name (a)	Location (b)			
1	Wire Crossing	Neshaminy Falls to Woodbourne, Pa.	Phila. Electric Company	\$	37
2	KV Line	Jenkintown to			
3		North Wales, Pa.	Phila. Electric Company		45
4	Lot and Sidetracks	Port Richmond Yard,			
5		Phila., Pa.	American Minerals, Inc.		24
6	Other items, each less than \$250,000 per annum.				1 019
7					
8					
9					
10					
11			Total		1 125

375. SEPARATELY OPERATED PROPERTIES - PROFIT OR LOSS

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

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

Line No.	Description of property operated (a)	Location of property (b)	Name of operator (c)	ACCRUED TO RESPONDENT	
				Profit (d)	Loss (e)
1	Ironton Railroad Company	One Mile East of	Lessee-Ironton	\$ 22	\$
2		Ironton to	Railroad		
3		Coplay, Pa. with			
4		Branch from			
5		Egypt, Pa. to			
6		Hokendauqua, Pa.			
7	Pennsylvania-Reading	Camden to Cape	Pennsylvania-		1 535
8	Seashore Lines	May, N.J., with	Reading Seashore		
9		sundry branches	Lines		
10			Total	22	1 535

INSTRUCTIONS CONCERNING RETURNS IN SCHEDULE 376. HIRE OF FREIGHT CARS, PAGE 88

1. Show a recapitulation of the total amounts credited and charged during the year to hire of freight cars on account of freight cars leased, freight cars interchanged, private and individual cars, auto racks and highway trailers. The difference between the total amount receivable and the total amount payable should be entered as a balance, receivable or payable as the case may be, and should be consistent with the entry for hire of freight cars in the Income Account, on page 300.

2. In column (b) show the total car-miles, both loaded and empty whether paid for on loaded and empty basis or loaded basis only. Car-miles, loaded and empty, reported in column (b), lines 1 through 4, relate to total car-miles incurred on lines of respondent by cars rented on a mileage basis, for which payments are reported in columns (d) and (f). Exclude from lines 1 through 4, data applicable to TOFC and COFC cars and cars rented on a combination mileage and per diem* basis. These exclusions should be reported in lines 5 and 6 through 16.

3. On line 5, column (b), enter the total miles, loaded plus empty, incurred on lines of respondent by TOFC and COFC cars for which payments are reported in columns (d) and (f). In columns (c) through (f), as applicable, enter the rentals paid for TOFC and COFC cars regardless of basis for charges.

4. On lines 6, 7, and 8 report data applicable to all cars the rentals for

which are charged only on a combination mileage and per diem* basis. Car-miles loaded and empty, reported in column (b), lines 6, 7, and 8, relate to total car-miles incurred on lines of respondent by cars rented on a combination mileage and time basis* for which payments are reported in columns (d) and (f). Exclude from lines 6, 7, and 8, data reported on lines 1 through 5 and 9 through 16.

5. On lines 9 through 14 report the per diem (time portion) charges applicable to cars rented on a combination mileage and per diem* basis for which the mileage portion was reported on lines 6, 7, and 8. Report on line 15, columns (c) and (d), the car-days paid for and for which payments were received applicable to the unequipped boxcar charges reported on lines 9 through 12. Report on line 16, columns (c) and (d), the car-days paid for and for which payments were received applicable to cars, other than unequipped box cars, for which charges are reported on line 13.

6. Amounts payable to insurance companies and to other non-carrier companies for lease rental of cars should be included on line 17, column (f). Amounts receivable from railroads or other carriers for per diem rental of these cars should be reported on lines 6 through 16, column (c).

7. Line 21 refers to the auto racks separate and apart from the cars on which the racks are installed.

*Combination mileage and per diem refers to cars moving at rates per mile and per day prescribed by the Commission in Docket No. 31358 or updated computations thereof.

376. HIRE OF FREIGHT CARS

(Dollars in thousands)

Line No.	Item (a)	Car-miles (loaded and empty) See instructions 2, 3, and 4 (b)	CARS OF RESPONDENT OR OTHER CARRIERS (Excluding cars of private car lines)		CARS OF INDIVIDUALS AND COMPANIES NOT CARRIERS (Including cars of private car lines)	
			Gross amount receivable (c)	Gross amount payable (d)	Gross amount receivable (e)	Gross amount payable (f)
	FREIGHT CARS		\$	\$	\$	\$
	Mileage Basis:					
1	Tank cars	7,742,832				645
2	Refrigerator cars	1,410,985				84
3	All other cars	3,544,868				116
4	Total (Lines 1-3)	12,698,685				845
5	TOFC and/or COFC Cars	3,101,076				1 172
	Combination Mileage and Per Diem Basis:					
	Mileage Portion:					
6	Unequipped box cars	18,002,282	390	363		
7	All other per diem cars	69,600,600	2 265	1 683		
8	Total (Lines 6 and 7)	87,602,882	2 655	2 046		
	Per Diem Portion:					
	Unequipped Box Cars:					
	U.S. Ownership:					
9	Basic		521	1 472		
10	Incentive		394	1 120		
	Canadian Ownership:					
11	Basic		27	173		
12	Incentive		14	62		
13	All Other Per Diem Cars		7 118	7 471		
14	Total Per Diem Portion (Lines 9-13)		8 074	10 298		
15	Car-days Paid For Unequipped Box Cars		187 155	542 201		
16	Car-days Paid For, All Other Per Diem Cars		2,019 796	2,123 705		
17	Leased Rental-Railroad, Insurance and Other Companies		\$ (4)	\$ 241	\$	\$ 5 296
18	Other Basis		29		129	
	OTHER FREIGHT CARRYING EQUIPMENT					
19	Refrigerated Highway Trailers				46	
20	Other Highway Trailers		955	554		855
21	Auto Racks					
22	GRAND TOTAL (Lines 4, 5, 8, 14, & 17-21)		11 709	13 139	175	8 168
23	NET BALANCE CARRIED TO INCOME ACCOUNT: CREDIT \$ or DEBIT \$ 9,423					

377. LOCOMOTIVE RENTALS

Give an analysis as requested of amounts credited to account 504, "Rent from locomotives," and amounts charged to account 537, "Rent for locomotives," on account of locomotives leased or otherwise rented. (Dollars in thousands)

Line No.	Item (a)	Amount receivable (b)		Amount payable (c)		Remarks (d)
	Locomotives of respondent or other carriers:	\$		\$		
1	Mileage basis		30		222	
2	Per diem basis					
3	Other basis		28		51	
	Locomotives of individuals and companies not carriers:					
4	Mileage basis					
5	Per diem basis		8			
6	Lease rental-insurance and other companies				974	
7	Other basis					
8	Total		66	1	247	

378. PASSENGER-TRAIN CAR RENTALS

Show a recapitulation of the total amounts credited to account 505, "Rent from passenger-train cars," and amounts charged to account 538, "Rent for passenger-train cars," on account of passenger cars leased, passenger cars interchanged, and private or individual cars. (Dollars in thousands)

Line No.	Item (a)	Amount receivable (b)		Amount payable (c)		Remarks (d)
	Cars of respondent or other carriers:	\$		\$		
1	Mileage basis		19			
2	Per diem basis					
3	Other basis					
	Cars of individuals and companies not carriers:					
4	Mileage basis					
5	Per diem basis					
6	Lease rental-insurance and other companies				684	
7	Other basis					
8	Total		19		684	

383. RENT FOR LEASED ROADS AND EQUIPMENT

1. Give particulars called for with respect to roads and equipment leased from others during the year, the rent for which is includible in account No. 542, "Rent for leased roads and equipment."

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

3. If the respondent held under lease during all or any part of the year any road upon which no rent payable accrued, or if any portion of the

charge shown hereunder is for construction on a line in which the respondent's leasehold interest will soon expire, give full particulars in a footnote.

4. Show the three largest items regardless of the dollar amount and all other items amounting to \$250,000 or more. Each item less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000." (Dollars in thousands)

Line No.	Name of lessor or reversioner and description of property (a)	Total rent accrued during year (Acct. 542) (b)		Classification of Amount Column (b)				
				Interest on bonds (c)		Dividends on stocks (d)		Cash (e)
1	Delaware & Bound Brook R.R. Co.	\$	281	\$	131	\$	144	\$ 6
2	North Pennsylvania Railroad Co.		728*		216		442	12
3	Philadelphia, Germantown and							
4	Norristown Railroad		278		270			8
5								
6	Other Items Each Less Than							
7	\$250,000		259 ¹		144		33	
8								
9								
10	Total		1 546		761		619	26

383A. ABSTRACTS OF LEASEHOLD CONTRACTS

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

Also give reference to the Interstate Commerce Commission's authority for the lease, if any. If none, state the reasons therefore. **Only changes during the year are required.**

2. In lieu of the abstracts here called for, the respondent may file copies of lease agreements and give specific references to copies heretofore filed with the Commission. Agreements being filed should be addressed to the Bureau of Accounts.

ThousandsNotes for Schedule 383:

- * Includes a charge of \$58,000.00 which represents Reading Company's leasehold interest in the 1973 property sales of the North Pennsylvania Railroad Company. Proceeds were used for payment towards the North Pennsylvania Railroad Company outstanding bonds \$ 58
- ∅ Includes principal payment of \$80,000 to the City of Philadelphia for the redemption of bonds issued in connection with the electrification of the Fox Chase Line 80
- ∅ Includes accrual for \$2,000.00 account New Jersey Property Tax for Allentown Terminal Railroad Company 2
- Total Included in Col. (b) \$140

384. MISCELLANEOUS RENTS

Give particulars of all properties the rents on which were charged by the respondent during the year to Income, under the heading "Miscellaneous rents," showing for each item the total charge therefor to Income. Show the three largest items regardless of the dollar amount and all other

items amounting to \$250,000 or more. Each item less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000." (Dollars in thousands)

Line No.	Description of Property		Name of lessor (c)	Amount charged to Income (d)	
	Name (a)	Location (b)			
1	Transfer Bridge	Deep Water Point, N.J.	E. I. DuPont	\$	9
2	Track 3 and 4	Pavonia Yard, Camden, N.J.	Penn Central R.R.		7
3	Office Space	Belmont Yard, East Side, Pa.	Baltimore & Ohio R.R.		1
4	Other Items Each Less Than \$250,000				4
5					
6					
7					
8					
9					
10				Total	21

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

Give a brief description for all items, regardless of amount, included during the year in accounts 570, "Extraordinary items"; 580, "Prior period items"; 590, "Federal income taxes on extraordinary and prior period items"; 606, "Other credits to retained income"; 616, "Other debits to retained income"; 620, "Appropriations for sinking and other reserve funds"; 621, "Appropriations for other purposes"; and 622, "Appropriations released." Give a brief description of the three largest items regardless of the dollar amount and all other items amounting to \$250,000 or

more included during the year in accounts 519, "Miscellaneous income", and 551, "Miscellaneous income charges." Items less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000." The entries for each account shall be listed and the total of each account shall be shown corresponding to the amounts in Schedules 290 and 305, as appropriate. In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote. (Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Debits (c)	Credits (d)
1	519	Profit from Sale of Property	\$	\$ 1 057
2		Greater Pottsville - Sewer Easement		107
3		Rents Due and Accrued		100
4		Other Items Each Less Than \$250,000		272
5				
6		Total Account No. 519		1 536
7				
8	551	Interest on State and Local Taxes	418	
9		Adjustment of Reserve Account Erie Lackawanna		
10		Bankruptcy	42	
11		Write off of Appraisal Cost in connection with		
12		Proposed Sales of Property	56	
13		Other Items Each Less Than \$250,000	80	
14				
15		Total Account No. 551	596	
16				
17	616	Loss from Clearing Account No. 80 as Authorized		
18		by I.C.C.	2 000	
19				
20		Total Account No. 616	2 000	
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				

MEMORANDA RELATING TO SELECTED INCOME AND RETAINED INCOME ACCOUNTS

397. STATEMENT OF CHANGES IN FINANCIAL POSITION

Give the information as requested concerning the source and application of funds during the year. Funds for the purpose of this schedule shall include all assets or financial resources even though a transaction may not directly affect cash or working capital. For example, the purchase of property in exchange for shares of stock or bonds would be an applica-

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

(Dollars in thousands)

Line No.	Item (a)	Amount (b)	Amount (c)
	Sources of funds:		
1	Net income (page 46, line 58)	(12 702)	
	Add non-cash charges for:		
2	Depreciation and amortization	7 131	
3	Retirements of nondepreciable property	487	
	Add non-cash charges for additions (deduct for decreases) to reserves:		
4	Pension and welfare reserves	-	
5	Insurance reserves	-	
6	Casualty and other reserves	1 225	
7	Interest in default & liabilities deferred under reorganization	8 936	
8	Other important items (specify) <u>Deferred Equipment Rentals</u>	473	
9	<u>P.R.S.L. Advances</u>	1 535	
10	Funds provided by operations		7 085
11	Proceeds from sale of capital stock of own issue		-
12	Proceeds from sale of funded debt and other obligations of own issue (except equipment obligations)		1 235
13	Proceeds from sale of equipment obligations of own issue		322
14	Book value of depreciable transportation property retired during year	7 026	
15	Less service value charged to accrued depreciation account	6 308	718
16	Net book value of miscellaneous physical property disposed of during year		276
17	Net book value of investment securities disposed of during year		-
18	Advances, notes and other debts repaid by affiliated companies		285
19	Advances, notes and other debts repaid by other companies		-
20	Net decrease in sinking and other reserve funds		-
21	Net decrease in working capital (total current assets less total current liabilities)*		-
22	Other sources (specify)		
23	<u>Siding Refunds</u>		226
24	<u>Interest on Trustee Obligations (Acct. 782)</u>		971
25			
26	Total sources of funds (should be same as line 43)		11 118
	Application of funds:		
27	Investment in transportation property (excluding donations and grants)		1 605
28	Investment in miscellaneous physical property		44
29	Investments and advances, affiliated ICC regulated carriers	59	
30	Investments and advances, other affiliated companies	11	70
31	Investments in nonaffiliated companies		-
32	Advances, notes and other debts repaid to other companies		-
33	Capital stock of own issue reacquired		-
34	Funded debt and other obligations paid or reacquired, (except equipment obligations)		12
35	Equipment obligations paid or reacquired		2 028
36	Net increase in sinking and other reserve funds		2 033
37	Payment of dividends (other than stock dividends) <u>Miscellaneous</u>		261
38	Net increase in working capital*		2 712
39	Other applications (specify) <u>P.R.S.L. Interline Settlement</u>		1 535
40	<u>Amounts payable to Affiliated Companies</u>		140
41	<u>Accts. Rec. Offsets Claimed by Other Railroads (Acct. 741)</u>		405
42	<u>Damage to Rdg. Co. Property by Outside Parties (Acct. 741)</u>		273
43	Total application of funds (should be same as line 26)		11 118

* For the purpose of this schedule, account 764, Long-term Debt Due Within One Year, shall be classified as a current liability in the determination of working capital.

INSTRUCTIONS CONCERNING RETURNS IN SCHEDULE 411

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

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

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

Lengths should be stated to the nearest hundredth of a mile.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

411. MILEAGE OPERATED AT CLOSE OF YEAR (For other than switching and terminal companies)

Line No.	Class (a)	Proportion owned or leased by respondent (b)	Main (M) or branch (B) line (c)	RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				Miles of way switching tracks (h)	Miles of yard switching tracks (i)	Total (j)
				Miles of road (d)	Miles of second main track (e)	Miles of all other main tracks (f)	Miles of passing tracks, cross-overs, and turn-outs (g)			
1	1	100%	M	548 12	243 68	27 69	189 72	74 26	378 89	1,462 36
2										
3	1	100%	B	272 63	3 35	-	38 16	43 76	51 73	409 63
4										
5	1J	50%	B	2 42	1 71	-	62	-	2 04	6 79
6	1J	33 1/3%	B	-	-	-	23	-	4 27	4 50
7	Total 1J Branch			2 42	1 71	-	85	-	6 31	11 29
8	Total 1 & 1J Branch			275 05	5 06	-	39 01	43 76	58 04	420 92
9	Total 1M, 1 & 1J Branch			823 17	248 74	27 69	228 73	118 02	436 93	1,883 28
10										
11	3A	100%	M	126 47	27 60	-	33 50	5 32	35 33	228 22
12										
13		33 1/3%	M	2 85	93	-	37	-	4 12	8 27
14										
15	3A	100%	B	12 61	-	-	2 42	1 50	6 58	23 11
16				141 93	28 53	-	36 29	6 82	46 03	259 60
17										
18	3B	100%	M	134 59	119 54	14 10	51 05	12 13	39 88	371 29
19										
20	3B	100%	B	23 79	11	-	3 97	2 45	9 61	39 93
21				158 38	119 65	14 10	55 02	14 58	49 49	411 22
22	Total 3A-M, 3B & 3B-M, B			300 31	148 18	14 10	91 31	21 40	95 52	670 82
23										
24	5	100%	M	8 66	7 28	3 45	-	-	5 29	24 68
25										
26	5	100%	B	29 56	7 59	5 55	98	-	13 10	56 78
27	Total 5M & 5B			38 22	14 87	9 00	98	-	18 39	81 46
28										
29										
30										
31										
32										
33										
34										
35										
36										
37										
38										
39										
40										
41										
42										
43										
44										
45										
46										
47										
48										
49										
50										
51										
52										
53										
54										
55	Total Main Line			XXX 820 69	399 03	45 24	274 64	91 71	463 51	2,094 82
56	Total Branch Lines			XXX 341 01	12 76	5 55	46 38	47 71	87 33	540 74
57	Grand Total			XXX 1,161 70	411 79	50 79	321 02	139 42	550 84	2,635 56
58	Miles of road or track electrified included in preceding grand total			XXX 90 98	71 13	14 91	10 19	81	4 15	192 17

411-A. MILEAGE OWNED BUT NOT OPERATED BY RESPONDENT AT CLOSE OF YEAR

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

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

Line No.	Class	Name of road or track	Main (M) or branch (B) line	RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.							Total
				Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, and turn-outs	Miles of way switching tracks	Miles of yard switching tracks		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	
1		Lehigh &	M	80 23	57 73		4 38	14 29	100 31	256 94	
2		Susquehanna	B	45 04	22		34	14 17	24 71	84 48	
3		R.R. System									
4											
5											
6											
7											
8		Investment related to this mileage is included in Schedule 216.									
9											
10											
11											
12											
13											
14											
15		Total	XXX	125 27	57 95		4 72	28 46	125 02	341 42	

412. MILES OF ROAD AT CLOSE OF YEAR—BY STATES AND TERRITORIES (SINGLE TRACK)

(For other than switching and terminal companies)

Give particulars, as of the close of the year, of all road operated and of all owned but not operated. The respondent's proportion of operated road held by it as joint or common owner, or under a joint lease, or under any joint arrangement, should be

shown in columns (b), (c), (e), or (f), as may be appropriate. The remainder of jointly operated mileage should be shown in column (g). Respondent's proportion of road jointly owned, not operated, should be shown in columns (i) and (j), as may be appropriate.

Tracks which have been permanently abandoned should not be included in columns (i) and (j).

Lengths should be stated to the nearest hundredth of a mile.

Line No.	State or territory (a)	ROAD OPERATED BY RESPONDENT										LINE OWNED, NOT OPERATED BY RESPONDENT				New line constructed during year (k)		
		LINE OWNED				Line of proprietary companies (d)	Line operated under lease (e)	Line operated under contract, etc. (f)	Line operated under trackage rights (g)	Total mileage operated (h)	Main line (i)	Branch lines (j)						
		Main line (b)	Branch lines (c)															
1	Pennsylvania	548	12	273	84		223	86		33	41	1,079	23	80	23*	45	04*	
2																		
3	New Jersey						54	64		6	40	61	04					
4																		
5	Delaware						20	87		56		21	43					
6																		
7																		
8																		
9	* Investments related to this mileage are included in Schedule 216.																	
10																		
11																		
12																		
13																		
14																		
15																		
16	Total Mileage (single track)	548	12	273	84		299	37		40	37	1,161	70	80	23	45	04	None

548.128

273.844

821.962

125.275

947.237

80.23

45.045

125.275

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

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

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

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

Line No.	State or Territory (a)	Tracks Operated						Tracks owned, not operated by respondent (h)	New tracks constructed during year (i)
		Tracks owned (b)	Tracks of proprietary companies (c)	Tracks operated under lease (d)	Tracks operated under contract, etc. (e)	Tracks operated under trackage rights (f)	Total mileage operated (g)		
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
	Total Mileage								

NOT APPLICABLE

INSTRUCTION CONCERNING RETURNS IN SCHEDULE 417 ON PAGES 100 AND 101

Instructions for reporting locomotive and passenger-train car data, pages 100 and 101:

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

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

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

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

equipped for use singly or as a lead locomotive unit. A "B" unit may be equipped with hostler controls for independent operating at terminals.

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

6. A "Diesel" unit includes all units propelled by diesel internal combustion engines irrespective of final drive, and whether power may at times be supplied from external conductor. Units other than diesel-electric, e.g., diesel-hydraulic, should be identified in a footnote giving the number and a brief description. An "Electric" unit includes all units which receive electric power from an overhead contact wire or third rail, and use the power to drive one or more electric motors that propel the vehicle. An "Other self-powered unit" includes all units other than diesel

or electric, e.g., steam, gas turbine. Show the type of unit, service and number, as appropriate, in a brief description sufficient for positive identification. An "Auxiliary unit" includes all units used in conjunction with locomotives but which draw their power from the "mother" unit, e.g., boosters, slugs, etc.

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

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

417. INVENTORY OF EQUIPMENT

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

Line No.	Type or design of units	Units in service of respondent at beginning of year	Changes During the Year					Units at Close of Year					
			Units installed				Units retired from service of respondent whether owned or leased, including re-classification	Owned and used	Leased from others	Total in service of respondent (col. (h)&(i))	Aggregate capacity of units reported in col. (j) (see ins. 7)	Leased to others	
			New units purchased or built	New units leased from others	Rebuilt units acquired and rebuilt units rewritten into property accounts	All other units including re-classification and second hand units purchased or leased from others							
													(a)
	Locomotive Units											(H.P.)	
1	Diesel-Freight ——— A units												
2	Diesel-Freight ——— B units												
3	Diesel-Passenger ——— A units	3						3		3	4,500		
4	Diesel-Passenger ——— B units												
5	Diesel-Multiple purpose — A units	170		5			15	131	29	160	349,800		
6	Diesel-Multiple purpose — B units												
7	Diesel-Switching ——— A units	72		25			2	49	46	95	106,000		
8	Diesel-Switching ——— B units												
9	Total (lines 1 to 8) ———	245		30			17	183	75	258	460,300		
10	Electric-Freight ———												
11	Electric-Passenger ———												
12	Electric-Multiple purpose ———												
13	Electric-Switching ———												
14	Total (lines 10 to 13) ———												
15	Other self-powered units ———												
16	Total (lines 9, 14 and 15) ———	245		30			17	183	75	258	460,300		
17	Auxiliary units ———											XXXX	
18	Total Locomotive Units (lines 16 and 17) ———	245		30			17	183	75	258		XXXX	

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

UNIT CASH OF YEAR, ACCORDING TO YEAR BUILT, DISREGARDING YEAR OF REBUILDING											
Type or design of units (a)		Before Jan. 1, 1950 (b)	Between Jan. 1, 1950, and Dec. 31, 1954 (c)	Between Jan. 1, 1955, and Dec. 31, 1959 (d)	Between Jan. 1, 1960, and Dec. 31, 1964 (e)	Between Jan. 1, 1965, and Dec. 31, 1969 (f)	During Calendar Year				
							1970 (g)	1971 (h)	1972 (i)	1973 (j)	1974 (k)
19	Diesel _____	9	67	14	86	46	2	3	1	30	258
20	Electric _____										
21	Other self-powered units _____										
22	Total (lines 19 to 21) _____	9	67	14	86	46	2	3	1	30	258
23	Auxiliary units _____										
24	Total Locomotive Units (lines 22 and 23) _____	9	67	14	86	46	2	3	1	30	258

417. INVENTORY OF EQUIPMENT—Continued

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

Line No.	Class of equipment and car designations	Units in service of respondent at beginning of year	Changes During the Year				Units at Close of Year					
			Units Installed				Units retired from service of respondent whether owned or leased, including reclassification	Owned and used	Leased from others	Total in service of respondent (col. (h)&(i))	Aggregate capacity of units reported in col. (j) (see ins. 7)	Leased to others
			New units purchased or built	New units leased from others	Rebuilt units acquired and rebuilt units rewritten into property accounts	All other units, including reclassification and second hand units purchased or leased from others						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	PASSENGER-TRAIN CARS <i>Non-Self-Propelled</i>											
25	Coaches [PA, PB, PBO] —	14					8	6		6	(Seating capacity) 368	
26	Combined cars [All class C, except CSB] —											
27	Parlor cars [PBC, PC, PL, PO] —											
28	Sleeping cars [PS, PT, PAS, PDS]											
29	Dining, grill and tavern cars [All class D, PD] —										XXXX	
30	Postal cars [All class M] —										XXXX	
31	Non-passenger carrying cars [All class B, CSB, PSA, IA] —										XXXX	
32	Total (lines 25 to 31) —	14					8	6		6	368	
	<i>Self-Propelled Rail Motorcars</i>											
33	Electric passenger cars [EP, ET] —	146						91	55	146	13,177	
34	Electric combined cars [EC] —	7						7		7	444	
35	Internal combustion rail motorcars [ED, EG] —	16						4	12	16	1,554	
36	Other self-propelled cars (Specify types: —)											
37	Total (lines 33 to 36) —	169						102	67	169	15,175	
38	Total (lines 32 and 37) —	183					8	108	67	175	15,543	
	COMPANY SERVICE CARS											
39	Business cars [PV] —										XXXX	
40	Boarding outfit cars [MWX] —	1						1		1	XXXX	
41	Derrick and snow removal cars [MWU, MWV, MWW, MWK] —	3						3		3	XXXX	
42	Dump and ballast cars [MWB, MWD]	10					1	9		9	XXXX	
43	Other maintenance and service equipment cars —	111				20		131		131	XXXX	
44	Total (lines 39 to 43) —	125				20	1	144		144	XXXX	

* Restate applicable to 12/31/72.

417. INVENTORY OF EQUIPMENT—Continued

Instructions for reporting freight-train car data, pages 102 and 103:

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

2. In column (p) give the number of units purchased or built in company shops. In column (q) give the number of new units leased from others. The term "new"

means a unit placed in service for the first time on any railroad.

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

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

Line No.	Class of equipment and car designations (m)	Units in service of respondent at beginning of year		Changes During the Year			
		Time-mileage cars (n)	All others (o)	Units installed			
				New units purchased or built ¹ (p)	New units leased from others (q)	Rebuilt units acquired and rebuilt units rewritten into property accounts ¹ (r)	All other units, including reclassification and second hand units purchased or leased from others (s)
	FREIGHT-TRAIN CARS						
45	Box-General Service (unequipped) [All B, L070, R-00, R-01]	1,534					
46	Box-General Service (equipped) [A-20, A-30, A-40, A-50, R-06, R-07]	1,280					1
47	Box-Special Service [A-00, A-10]	72					
48	Gondola-General Service [All G (except G-9-)]	3,423					25
49	Gondola-Special Service [G-9-, J-00, all C, all E]	415					38
50	Hopper (open top)-General Service [All H (except H-70)]	4,820					4
51	Hopper (open top)-Special Service [H-70, J-10, J-20, all K]	368					20
52	Hopper (covered) [L-5-]	907					
53	Tank, under 12,000 gallons [T-0, T-1, T-2, T-3]						
54	Tank; 12,000-18,999 gallons [T-4]						
55	Tank, 19,000-24,999 gallons [T-5, T-6]						
56	Tank, 25,000 gallons and up [T-7, T-8, T-9]						
57	Refrigerator (meat)-Mechanical [R-11, R-12]						
58	Refrigerator (other than meat) -Mechanical [R-04, R-10]	1			12		
59	Refrigerator (meat)-Non-Mechanical [R-02, R-08, R-09, R-14, R-15, R-17]						
60	Refrigerator (other than meat) -Non-Mechanical [R-03, R-05, R-13, R-16]	209					
61	Stock [All S]						
62	Autorack [F-5-, F-6-]						
63	Flat-General Service [F-0-]	44					
64	Flat-Special Service [F-1-, F-9-, F-20, F-30, F-40, L-2-, L-3-]	76					7
65	Flat-TOFC [F-7-, F-8-]						
66	All other [L-0-, L-1-, L-4-, L080, L090]						
67	Total (lines 45 to 66)	13,149			12		95
68	Caboose [All N]	XXXX	153				
69	Total (lines 67, 68)	13,149	153		12		95
70	Grand total, all classes of cars (lines 38, 44 and 69)	13,149	461		12		115

¹See: unequipped (which relates to incentive per diem order)

New units purchased or built

Units rebuilt or acquired

General funds

Incentive funds

General funds

Incentive funds

417. INVENTORY OF EQUIPMENT—Continued

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

5. Freight-train car type codes shown in column (m) correspond to the AAR Multiple Per Diem Master List. Dashes are used in appropriate places to permit a sin-

gle code to represent several car type codes. Descriptions of car codes and designations are published in *The Official Railway Equipment Register*.

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

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

Changes during year (Concluded)	Units At Close of Year						Line No.
	Owned and used (u)	Leased from others (v)	Total in service of respondent (col. (u)+(v))		Aggregate capacity of units reported in col. (w)+(x) (see ins. 4) (y)	Leased to others (z)	
			Time- mileage cars (w)	All other (x)			
Units retired from service of respondent whether owned or leased, in- cluding re- classification (t)							
83	1,106	345	1,451		92,611		45
24	377	880	1,257		75,625		46
5	67		67		4,180		47
136	2,374	938	3,312		258,865		48
34	261	158	419		34,057		49
199	4,065	560	4,625		313,704		50
171	137	80	217		18,410		51
7	350	550	900		78,454		52
							53
							54
							55
							56
							57
		13	13		1,807		58
							59
	113	96	209		12,322		60
							61
7	37		37		2,849		62
4	79		79		4,526	(A) 2	63
							64
							65
670	8,966	3,620	12,586		897,410	2	66
	133	20	xxxx	153	xxxxxxxxxxxxxx		67
670	9,099	3,640	12,586	153	897,410	2	68
							69
679	9,351	3,707	12,586	472	897,410	2	70
(A) Two (2) cars leased to Aqua Chemicals, Inc.							

417. INVENTORY OF EQUIPMENT—Concluded

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

Line No.	Class of equipment and car designations (m)	Units in service of respondent at beginning of year		Changes During the Year			
		Per diem (n)	All other (o)	Units Installed			
				New units purchased or built (p)	New units leased from others (q)	Rebuilt units acquired and rebuilt units rewritten into property accounts (r)	All other units, including reclassification and second hand units purchased or leased from others (s)
	FLOATING EQUIPMENT						
71	Self-propelled vessels [Tugboats, car ferries, etc.]	X X X X	1 *				
72	Non-self-propelled vessels [Car floats, lighters, etc.]	X X X X	5 *				
73	Total (lines 71 and 72)	X X X X	6 *				
	HIGHWAY REVENUE EQUIPMENT						
74	Bogie-chassis						
75	Dry van	560 *					
76	Flat bed						
77	Open top	17 *					
78	Mechanical refrigerator						
79	Bulk						
80	Insulated						
81	Platform, removable sides						
82	Other trailer or container						
83	Tractor						
84	Truck						
85	Total (lines 74 to 84)	577 *					

NOTES AND REMARKS

417. INVENTORY OF EQUIPMENT—Concluded

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

Changes during year (Concluded)	Units At Close of Year						Line No.
	Owned and used (u)	Leased from others (v)	Total in service of respondent (col. (u)+(v))		Aggregate capacity of unit: reported in col. (w)+(x) (see ins. 4) (y)	Leased to others (z)	
			Per diem (w)	All other (x)			
Units retired from service of respondent whether owned or leased, in- cluding re- classification (t)					(Tons)		
	1		XXXX	1	Not Applicable		71
	5		XXXX	5	7,100		72
	6		XXXX	6	7,100		73
7	72	481	553		13,761		74
							75
2	15		15		366		76
							77
							78
							79
							80
							81
							82
							83
9	87	481	568		14,127		84
							85

NOTES AND REMARKS

421. HIGHWAY MOTOR VEHICLE OPERATIONS

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

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

In reporting traffic carried and traffic handled 1 mile on lines 10 to 15, and on lines 20 to 23, both inclusive, show the total number of tons and ton-miles of revenue freight in column (i) and the total number of passengers carried and passenger-miles in column (c), regardless of the class of vehicle used to perform the transportation service.

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

A. OPERATED BY RESPONDENT
(Revenue and nonrevenue service)

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

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

B. OPERATED BY OTHERS
(Revenue service)

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

421. HIGHWAY MOTOR VEHICLE OPERATIONS—Concluded

"Trailers" means trailer bodies used in TOFC/COFC service which are permanently mounted on running gear. "Containers" means trailer bodies used in TOFC/COFC service which are not permanently mounted on wheels or chassis, but are separated from such running gear before being loaded on flat cars.

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

Containers (e)	Semitrailers (f)	Tractors (g)	Trailers (h)	Trucks (i)	Combination bus-trucks (j)	Line No.
			577			1
			-			2
			9			3
			568			4
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX		5
XXXXXX		XXXXXX	*		XXXXXX	6
XXXXXX			*	XXXXXX	XXXXXX	7
			*			8
			*			9
XXXXXX	XXXXXX	XXXXXX	XXXXXX		XXXXXX	10
XXXXXX	XXXXXX	XXXXXX	XXXXXX		XXXXXX	11
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	12
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	13
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX		14
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	15
	1	1		240		16
	None	None		31		17
	None	None		22		18
	1	1		249		19

B. OPERATED BY OTHERS—Concluded
(Revenue service)

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

* Information not available.

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

Give particulars of highway motor-vehicle enterprises (excluding Railway Express Agency, Inc.) in which the respondent had a financial interest, either directly or indirectly, during the year.

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

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

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

Line No.	Name and address of highway motor-vehicle enterprise (a)	Nature of respondent's interest (b)	Date on which respondent's direct or indirect interest was originally acquired (c)
1	Reading Transportation Company,	Direct	December 1, 1925
2	Reading Terminal,		
3	Phila., Penn., 19107.		
4			
5	Pittsburgh-Philadelphia Transportation	Indirect	July 10, 1970
6	Company,	Ambler Container Co.	
7	Reading Terminal,	Eastern Real Estate Co.	
8	Phila., Penn., 19107.		
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

510. GRADE CROSSINGS

A—Railroad With Railroad

1. A crossing of a railroad with a railroad means the intersection of all the tracks on one right-of-way with all of the tracks on another right-of-way, whether or not owned or operated by the same company; thus, the intersection of one double-track line with another double-track line shall be reported as one crossing. Each such crossing shall be reported only by the carrier who performs the actual maintenance of the signal or interlocking protection, if so provided, or by the carrier who maintains the crossing frogs where no protection exists. The carrier which actually performs the maintenance shall be the reporting carrier, even though other party, or parties, assume a part or all of the expense of such maintenance. Where portions of the apparatus are maintained by two or more companies, as for example—the condition where one crossing frog is maintained by one company and the second frog by the other company, agreement should be made between carriers as to which shall report. Report should be made of each crossing, whether main line, branch line, or switching tracks are involved, so long as separate rights-of-way are involved, regardless of whether or not the rights-of-way involved are

owned or leased by the same company. A cross-over from one track to another on the same right-of-way, or the use of a crossing frog for the intersection of two tracks in the same right-of-way, is not to be considered as a crossing in this connection. If one right-of-way intersects two or more rights-of-way in the same vicinity a separate crossing shall be reported for each such intersection, even though all are controlled by one interlocking plant. In such case, this fact should be explained in a footnote in order that the interlocking plant may not be counted more than once.

2. The term "Protection" as used in this connection should include all signalling or derailing devices which may restrict the use of the crossing by either carrier. It shall not include stationary or other cautionary signs which merely indicate the proximity of a crossing. Where crossings are protected by more than one of the types of protection shown in columns (b) to (i) inclusive, the kind of protection, etc., should be reported in only one classification and that of the more elaborate type.

Line No.	Number of crossings (a)	Interlocking (b)	Automatic signals (automatic interlocking) (c)	Derails on one line, no protection on other (d)	Hand-operated signals, without interlocking (e)	Gates (f)	Total specially protected (g)	Total not specially protected (h)	Grand total (i)
1	Number at beginning of year	6	1		1		8	56	64
2	Crossings added: New crossings								
3	Change in protection								
4	Crossings eliminated: Separation of grade								
5	Change in protection								
6	Other causes								
7	Number at close of year	6	1		1		8	56	64
8	Number at Close of Year by States:								
9	Pennsylvania	5	1		1		7	53	60
10	Delaware	1					1	3	4
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									

510. GRADE CROSSINGS—Continued
B—Railroad With Highway

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

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

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

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

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

Line No.	Item of Annual Change (a)	TYPES OF PROTECTION FOR, AND NUMBERS OF CROSSINGS AT GRADE													
		Automatic gates with flashing lights (b)	Automatic flashing light signals (c)	Gates manually operated		Watchmen only		Audible signals only (h)	Other automatic signals (i)	Total indicating warning of train approach (j)	"Railroad Crossing" crossbuck signs only (k)	Crossbuck signs with other fixed signs (l)	Other fixed signs only (m)	No signs or signals (n)	Total crossings at grade (o)
				24 hours per day (d)	Less than 24 hours per day (e)	24 hours per day (f)	Less than 24 hours per day (g)								
1	Number at beginning of year _____	152	409	8	0	0	0	3	7	579	583	5	45	290	1,502
2	Added: By new, extended or relocated highway _____										1				1
3	By new, extended or relocated railroad _____														
4	Total added _____										1				1
5	Eliminated: By closing or relocation of highway _____														
6	By relocation or abandonment of railroad _____		2							2	14			4	20
7	By separation of grades _____														
8	Total eliminated _____		2							2	14			4	20
9	Changes in protection: Number of each type added _____	2	2							4					4
10	Number of each type deducted _____		1							1	3				4
11	Net of all changes _____	+ 2	- 1							+ 1	- 16			- 4	- 19
12	Number at close of year _____	154	408	8	0	0	0	3	7	580	567	5	45	286	1,483
13	Number at close of year by States:														
14	Pennsylvania	148	380	8				3	7	546	532	3	44	256	1,381
15	New Jersey	5	16							21	24	2		10	57
16	Delaware	1	12							13	11		1	20	45
17															
18															
19															
20															
21															
22															

511. GRADE SEPARATIONS

Highway-Railroad

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

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

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

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

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

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

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

Line No.	Items of Annual Change (a)	Types and numbers of highway-railroad grade separations		
		Overpass (Highway above railroad) (b)	Underpass (Railroad above highway) (c)	TOTAL (d)
1	Number at beginning of year	389	433	822
2	Added: By new, extended or relocated highway	2	1	3
3	By new, extended or relocated railroad			
4	By elimination of grade crossing ¹			
5	Total added	2	1	3
6	Deducted: By closing or relocation of highway			
7	By relocation or abandonment of railroad	1		1
8	Total deducted	1		1
9	Net of all changes	+ 1	+ 1	+ 2
10	Number at close of year	390	434	824
	Number at close of year by States:			
11				
12	<u>Pennsylvania</u>	357	406	763
13	<u>New Jersey</u>	24	22	46
14	<u>Delaware</u>	9	6	15
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				

Total in column (d) should correspond to total number of grade crossings eliminated "By separation of grades", Schedule 510-B, line 7 column (c).

513. TIES LAID IN REPLACEMENT

Give particulars of ties laid during the year in previously constructed tracks maintained by the respondent. Do not include any ties used in any new tracks or in track extensions.

In column (a) classify the ties as follows:

(U) Wooden ties untreated when applied.

(T) Wooden ties treated before application.

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

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

In columns (d) and (g) should be shown the total cost, including transportation charges on foreign lines, tie trains, loading, inspection, and the cost of handling ties in general supply, storage, and seasoning yards; and,

in the case of treated ties, also the cost of handling at treating plants and the cost of treatment. The cost of unloading, hauling over carrier's own lines and placing the ties in tracks, and of train service, other than that necessary in connection with loading or treatment, should not be included in this schedule.

The sum of entries on lines 21, 22, and 23 should equal the total of columns (d) and (g).

Any material difference between the return on line 22 and the charge to operating expense account No. 212, or between the sum of charges to additions and betterments shown in schedules Nos. 513 and 514 and the related charge to investment account No. 8, should be explained in a footnote.

(Dollars in thousands)

Line No.	Class of ties (a)	CROSSTIES				SWITCH AND BRIDGE TIES				Remarks (h)
		Total number of ties applied (b)		Average cost per tie (c)	Total cost of crossties laid in previously constructed tracks during year (d)	Number of feet (board measure) applied (e)		Average cost per M feet (board measure) (f)	Total cost of switch and bridge ties laid in previously constructed tracks during year (g)	
1	T	130	027	\$ 6 15	\$ 800	479	148	\$ 200 36	\$ 96	New
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20	Total	130	027	6 15	800	479	148	200 36	96	

(Dollars in thousands)

21	Amount of salvage on ties withdrawn	\$	None	} 896 ✓
22	Amount chargeable to operating expenses	\$	887	
23	Amount chargeable to additions and betterments	\$	9	
Estimated number of crossties in all maintained tracks:				
			Number	Percent of Total
24	Wooden ties		5,933,641	100.00
25	Other than wooden ties (steel, concrete, etc.)			
26	Total		5,933,641	100.00

Line 22 \$887

Miscellaneous Adjustments 107 Cr.

Total Account 212 \$780

T - Ties are treated by the Reuping or Full Cell Process.

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

Give particulars of ties laid during the year in new construction, following the instructions given in the preceding schedule, so far as applicable, (Dollars in thousands)

Line No.	Class of ties (a)	CROSSTIES			SWITCH AND BRIDGE TIES			Remarks (h)
		Total number of ties applied (b)	Average cost per tie (c)	Total cost of cross-ties laid in new tracks during year (d)	Number of feet (board measure) laid in tracks (e)	Average cost per M feet (board measure) (f)	Total cost of switch and bridge ties laid in new tracks during year (g)	
1	T	954	\$ 5 24	\$ 5	43 668	\$ 160 30	\$ 7	New
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20	Total	954	5 24	5	43 668	160 30	7	

21 Number of miles of new running tracks, passing tracks, cross-overs, etc., in which ties were laid .50

22 Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid 1.00

Schedule 513 - Line 23 \$ 9
 514 - Line 20 Col. (d) ... 5
 514 - Line 20 Col. (g) ... 7
\$21
 Miscellaneous Adjustments 39
\$60

I.C.C. Schedule 211:

	Column (e)	Column (f)	Total
Reading Company (Line 8).....	\$ 24	\$ 27	\$ 51
East Pennsylvania Railroad Co.			1
Port Reading Railroad Co.			6
Wilmington & Northern Railroad Co.			2
Total Account No. 8			\$ 60

Footnotes Pertaining to Schedules 515 and 516:

Schedule 515 - Line 24 \$ 21
 Schedule 516 - Line 20 Cols. (d) & (h) 15
 Butt Weld cost for Ribbon Rail 233
 Miscellaneous Adjustments 111 Cr.
\$158

I.C.C. Schedule 211:

	Column (e)	Column (f)	Total
Reading Company (Line 9).....	\$128	\$12	\$140
East Pennsylvania Railroad Co.			1
Port Reading Railroad Co.			6
Wilmington & Northern Railroad Co.			11
Total Account No. 9			\$158

515. RAILS LAID IN REPLACEMENT

Give particulars of all rails applied during the year in connection with replacement of rails in previously constructed tracks maintained by the respondent.

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

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

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

The returns in columns (d) and (h) should include the cost of loading at the point of purchase ready for shipment, the freight charges paid foreign

lines, and the cost of handling rails in general supply and storage yards. The cost of unloading, hauling over carrier's own lines, and placing the rails in tracks, and of train service in connection with the distribution of the rails, should not be included in this schedule.

The sum of entries on lines 22, 23, and 24 should equal the total of columns (d) and (h).

Any material difference between the return on line 23 and the charge to operating expense account No. 214, or between the sum of charges to additions and betterments shown in schedules Nos. 515 and 516 and the related charge to investment account No. 9, should be explained in a footnote.

(Dollars in thousands)

Line No.	Class of rail (a)	RAIL APPLIED IN RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				RAIL APPLIED IN YARD, STATION, TEAM, INDUSTRY, AND OTHER SWITCHING TRACKS			
		Weight of Rail		Total cost of rail applied in running tracks, passing tracks, cross-overs, etc., during year (d)	Average cost per ton (2,000 lb.) (e)	Weight of Rail		Total cost of rail applied in yard, station, team, industry, and other switching tracks during year (h)	Average cost per ton (2,000 lb.) (i)
		Pounds per yard of rail (b)	Number of tons (2,000 lb.) (c)			Pounds per yard of rail (f)	Number of tons (2,000 lb.) (g)		
1	2	130	1 447	\$ 265	\$ 183 14				
2									
3	2	130	3	1	244 67				
4									
5	2	140	3	1	262 33				
6									
7	4	130	835	40	47 90	130	353	17	48 16
8									
9									
10									
11									
12									
13									
14									
15									
16	2-		1 453	267					
17	4-		835	40					
18									
19									
20	Total	X X X X	2 288	307	134 18	X X X X	353	17	48 16

(Dollars in thousands)

21	Number of tons (2,000 lb.) of relayers and scrap rail taken up	2,870	
22	Salvage value of rails released	\$ 37	
23	Amount chargeable to operating expenses	\$ 266	
24	Amount chargeable to additions and betterments	\$ 21	
25	Miles of new rails laid in replacement (all classes of tracks) †	11.18	(rail-miles)
26	Miles of new and second-hand rails laid in replacement (all classes of tracks) ‡	23.08	(rail-miles)
27	Average weight per yard of new rails laid in replacement (running, passing, and cross-over tracks, etc.) *	130	(pounds)
28	Tons of rail sold as scrap and amount received	6,148	(tons of 2,000 lb.); \$ 326
29	Track-miles of welded rail installed this year	41.60	; total to date 271.30

*Classes 1, 2, and 3 rails.—Reduce tonnage in columns (c) and (g) to pounds; divide each result by the respective pounds per yard to obtain the number of yards of each weight of new rail laid in all classes of tracks; divide the total number of yards of new rails laid in all classes of tracks by 1,760; state the quotient with two decimal places.

†Classes 1, 2, 3, and 4 rails.—Reduce tonnage in columns (c) and (g) to pounds; divide each result by the respective pounds per yard to obtain the number of yards of each weight of new and second-hand rail laid in all classes of tracks; divide the total number of yards of new and second-hand rails laid in all classes of tracks by 1,760; state the quotient with two decimal places.

*Classes 1, 2, and 3 rails.—Reduce tonnage in column (c) to pounds; divide each result by the respective pounds per yard to obtain the number of yards of each weight of new rail laid in running, passing, and cross-over tracks, etc.; divide the total number of pounds of new rails laid in running tracks, etc., by the total number of yards of new rails laid in such tracks.

Line 23 \$266
 Build Up Rail Ends 72
 Miscellaneous 7
 Total Account No. 214 \$345

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

Give particulars of rails applied during the year in the construction of new tracks, following the instructions given in the preceding schedule, so far as applicable. (Dollars in thousands)

Line No.	Class of rail (a)	RAIL APPLIED IN RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.					RAIL APPLIED IN YARD, STATION, TEAM, INDUSTRY, AND OTHER SWITCHING TRACKS						
		Weight of Rail		Total cost of rail applied in running tracks, passing tracks, cross-overs, etc., during year (d)	Average cost per ton (2,000 lb.) (e)	Weight of Rail		Total cost of rail applied in yard, station, team, industry, and other switching tracks during year (h)	Average cost per ton (2,000 lb.) (i)				
		Pounds per yard of rail (b)	Number of tons (2,000 lb.) (c)			Pounds per yard of rail (f)	Number of tons (2,000 lb.) (g)						
1	2	130	22	\$ 4	\$ 174	23	130	39	\$ 7	\$ 173	56		
2													
3	4	130	35	2	49	89	130	36	2	49	89		
4													
5	4						140	11	1	49	45		
6													
7													
8													
9													
10													
11													
12		2-	22	4				39	7				
13		4	35	2				47	3				
14													
15													
16	Total	XXX	57	6	97	88	XXX	86	10	105	92		
17	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which rails were laid										.50		
18	Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid										1.00		

517. GAUGE OF TRACK AND WEIGHT OF RAIL

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

4 feet 8-1/2 inches, show the gauge of each part in column (d). Road and track occupied under trackage right or other form of license should not be included herein, but all road and track held under any form of lease (granting exclusive possession to the lessee) should be included.

Line No.	Weight of rails per yard (a)	Line-haul companies (miles of main track) (b)	Switching and terminal companies (miles of all tracks) (c)	Remarks (d)
	Pounds			
1	159	29		
2	140	300	27	
3	132	32		
4	131	225	96	
5	130	767	94	
6	100	146	60	
7	90	111	80	
8	79	24		
9	76	1	49	
10	70	3	09	
11	Order			
12	86	22		
13	141	4	42	
14	159	4	03	
15	174	50		
16	1	567	17	

531. STATISTICS OF RAIL-LINE OPERATIONS (See Page 117 for Instructions)

Line No.	Item (a)	Freight trains (b)			Passenger trains (c)			Total transportation service (d)		
1	Average mileage of road operated (State in whole numbers)		1	164		337		1	165	
	Train-Miles									
2	Diesel locomotives	2	278	120		29	972	2	308	092
3	Other locomotives									
4	Total locomotives	2	278	120		29	972	2	308	092
5	Motorcars				2	818	118	2	818	118
6	Total train-miles	2	278	120	2	848	090	5	126	210
	Locomotive Unit-Miles									
7	Road service	5	296	228		59	944	5	356	172
8	Train switching		997	164					997	164
9	Yard switching	2	271	488		85	464	2	356	952
10	Total locomotive unit-miles	8	564	880		145	408	8	710	288
	Car-Miles									
11	Total motorcar car-miles				6	993	632	6	993	632
12	Loaded time-mileage freight cars	72	751	731				72	751	731
13	Loaded other freight cars		247	263					247	263
14	Empty time-mileage freight cars	56	814	398				56	814	398
15	Empty other freight cars		66	155					66	155
16	Caboose	1	537	697				1	537	697
17	Total freight car-miles (lines 12, 13, 14, 15 and 16)	131	417	244				131	417	244
18	Passenger coaches					151	009		151	009
19	Combination passenger cars (mail, express, or baggage, etc., with passenger)									
20	Sleeping and parlor cars									
21	Dining, grill and tavern cars									
22	Head-end cars									
23	Total (lines 18, 19, 20, 21, and 22)					151	009		151	009
24	Business cars									
25	Crew cars (other than caboose)									
26	Grand total car-miles (lines 11, 17, 23, 24 and 25)	131	417	244	7	144	641	138	561	885
	Gross Ton-Miles and Train-Hours in Road Service									
27	Gross ton-miles of locomotives and tenders (thousands)		682	747		3	895		686	642
28	Gross ton-miles of freight-train cars, contents, and cabooses (thousands)	7	045	938		-		7	045	938
29	Gross ton-miles of passenger-train cars and contents (thousands)		1	785		455	700		457	485
30	Train-hours—Total		175	023		87	749		262	772
	Revenue and Nonrevenue Freight Traffic									
31	Tons of revenue freight	XX	XX	XX	XX	XX	XX	X	41	639 175
32	Tons of nonrevenue freight	XX	XX	XX	XX	XX	XX		153	208
33	Total tons revenue and nonrevenue freight	XX	XX	XX	XX	XX	XX		41	792 383
34	Ton-miles—Revenue freight in road service (thousands)	XX	XX	XX	XX	XX	XX	X	3	748 585
35	Ton-miles—Revenue freight in lake transfer service (thousands)	XX	XX	XX	XX	XX	XX			
36	Total ton-miles—Revenue freight (thousands)	XX	XX	XX	XX	XX	XX		3	748 585
37	Ton-miles—Nonrevenue freight in road service (thousands)	XX	XX	XX	XX	XX	XX		12	937
38	Ton-miles—Nonrevenue freight in lake transfer service (thousands)	XX	XX	XX	XX	XX	XX			
39	Total ton-miles—Nonrevenue freight (thousands)	XX	XX	XX	XX	XX	XX		12	937
40	Net ton-miles of freight—Revenue and nonrevenue (thousands)	3	761	522				3	761	522
	Revenue Passenger Traffic									
41	Passengers carried—Total	XX	XX	XX	XX	XX	XX		12	583 369
42	Passenger-miles—Total	XX	XX	XX	XX	XX	XX		181	538 466
	Train-Miles Work Trains									
43	Locomotives								140	813
44	Motorcars									
45	Total								140	813

INSTRUCTIONS CONCERNING SCHEDULE 531 ON PAGE 116

1. Give the various statistical items called for concerning the rail-line operations of respondent's road during the year. Train-miles, car-miles and other particulars are to be reported in accordance with the classification of train-miles and car-miles prescribed in the Uniform System of Accounts for Railroad Companies (Mileage Accounts 800 to 805 and 820 to 825). Locomotive unit-miles should include all miles made by each locomotive unit.

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

3. Item No. 1 includes miles of road operated under trackage rights.

4. For gross ton-miles compute from conductors' or dispatchers' train reports weight in tons (2,000 pounds). Line 27 includes weight of all locomotive units moved one mile in transportation trains. Ton-miles of motorcars should be excluded. Lines 28 and 29 represent tons behind locomotive units (cars and contents, company-service equipment and cabooses) moved one mile in transportation trains. Include ton-miles of exclusive work service equipment and motorcars moving in transportation

trains. Use 150 pounds as the average weight per passenger and four tons as the average weight of contents of each head-end car.

5. Line No. 35 should represent the ton-miles of revenue freight in water transfer service on the Great Lakes involving a rail-line haul, the revenue from which is includible in account No. 101, "Freight." Ton-miles of revenue freight in water transfer service which was moved on the basis of lawful local tariff rates, the revenue from which is creditable to account No. 113, "Water transfers," should be excluded. Line 36, Total ton-miles—Revenue freight, should correspond to the ton-miles reported on Form OS-B, Item 2.

6. For net ton-miles, Line 40, compute from conductors' train reports. This item represents the number of tons of revenue and non-revenue freight moved one mile in transportation trains. Include a reasonable proportion of the weight of exclusive work equipment moved one mile. Include net ton-miles in motorcar trains. Exclude LCL shipments handled in mixed baggage-express cars.

7. The mileage of company service equipment, designed exclusively for work service and moved in transportation trains, should be classed as loaded freight car-miles.

8. Highway vehicle operations should not be included in Schedule 531 but particulars thereof given in a footnote below.

532. SWITCHING AND TERMINAL TRAFFIC AND CAR STATISTICS

(For switching and terminal companies only)

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

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

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

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

NOTES AND REMARKS

561C. COMPENSATION APPLICABLE TO PRIOR YEARS

Show hereunder, for each group of employees, the amount of compensation applicable to prior years, which was paid or is payable under labor awards of the current year or for other reasons. Additional compensation for the current year under labor awards or for other reasons is includible in I.C.C. Wage Statistics Form A and B, "Report of Employees, Service, and Compensation," for the calendar year. 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. Explain the nature of any amounts in excess of \$10,000 included in column (c) in a footnote.

(Dollars in thousands)

Line No.	Group No.	Class of employees (a)	Amount of Compensation			
			Under labor awards (b)	Other back pay (c)	Total (d)	
1	I	Executives, officials, and staff assistants	\$	\$	4	4
2	II	Professional, clerical, and general			18	18
3	III	Maintenance of way and structures			132	132
4	IV	Maintenance of equipment and stores			675	675
5	V	Transportation (other than train, engine, and yard)			15	15
6	VI (a)	Transportation (yardmasters, switch tenders, and hostlers)			8	8
7	VI (b)	Transportation (train and engine service)			1 002	1 002
8		Total			1 854	1 854
9	Amount of foregoing compensation that is chargeable to operating expenses: \$ 1,854					

* Contract settlement with the following Unions:

1. Brotherhood of Locomotive Engineers.
2. Brotherhood of Railway, Airline, Steamship Clerks.
3. Brotherhood of Maintenance of Way Employees.
4. Railway Patrolmen International Union.
5. American Train Dispatchers Association.
6. Order of Telegrapher Union.
7. United Transportation Union.
8. Brotherhood of Railway Signalmen.
9. Master Mates and Pilots.
10. National Maritime Union.
11. International Brotherhood Firemen & Oilers, Helpers, Roundhouse & Shop Laborers.
12. Sheet Metal Workers, District Council #78.
13. International Association of Machinists & Aerospace Workers.
14. International Brotherhood Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers.
15. International Brotherhood of Electrical Workers.
16. Brotherhood Railway Carmen of the U.S. & Canada.
17. System Federation No. 109 (Governing Foremen).

NOTES AND REMARKS

Schedule 581, Cont'd from Page 127:

1. (k) Agreement dated June 14, 1973, between Richardson Dilworth and Andrew L. Lewis, Jr., Trustees of the property of Reading Company, Debtor, and Southeastern Pennsylvania Transportation Authority (SEPTA), supplementing Agreement dated July 1, 1971, between SEPTA and Reading Company, providing for continuation and improvements of mass transportation passenger service on lines of Debtor in the Philadelphia Metropolitan Area for the period July 1, 1973 to June 30, 1974. Payment to the Trustees pursuant to the foregoing Agreement are \$725,000 per month, for a total of \$8,700,000.
1. (k) Agreement dated August 17, 1973 between the United States of America through the Federal Railroad Administrator of the Department of Transportation and Richardson Dilworth and Andrew L. Lewis, Jr., Trustees of the property of Reading Company, Debtor. Trustees agree to borrow amounts not exceeding \$1,577,735 in total aggregate principal amount to be evidenced by promissory notes. Each note shall bear interest from date of issue at the rate of 5 1/2%. The loan shall be repaid on the basis of a 20 year amortization period commencing on date of the first note. Payment of principal and interest shall be made semi-annually, the first payment to be made in 1975.
1. (k) Agreement dated October 1, 1973, between Richardson Dilworth and Andrew L. Lewis, Jr., Trustees of the property of Reading Company, Debtor, and the United States of America acting through the Department of Justice (Government).

The Government agrees to arrange for the sale to the Trustees of 57 Diesel Railroad Locomotives for the appraised value of \$4,801,550, free and clear of the liens and security interests arising under Reading Company Equipment Trust Series "AA", dated as of July 1, 1963, issued as collateral for the \$30,000,000 collateral notes of Reading Company under Collateral Trust Agreement dated as of July 1, 1963.

The Trustees agree to pay to the Government, prior to the termination of the instant reorganization proceedings: (a) \$4,801,550 plus interest thereon at the annual rate of 6 1/2% from January 1, 1972, and (b) the dividends on the Certificates due January 1, 1972, in the amount of \$321,750, issued under the said Equipment Trust Agreement.

362. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

1. In columns (a) and (b) enter the name and position of each of the five persons named in Schedules 102 and 103 of this report to whom the respondent paid the largest amount during the year as compensation for current or past service over and above necessary expenses incurred in discharge of duties. In addition, list all other officers, directors, pensioners or employees, if any, to whom the respondent paid \$40,000 or more in total compensation during the year.

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

3. If an officer, director, etc., receives compensation from one or more of the affiliated companies listed in Schedule 104, reference to this fact should be made if the aggregate compensation from all companies amounts to \$40,000 or more. The detail as to division of the compensation should be reported in schedule 564.

4. Other compensation to be entered in column (d) includes, but is not limited to, commissions; bonuses; shares in profits; contingent compensation; moneys paid, set aside or accrued pursuant to any pension, retirement, savings, deferred compensation, or similar plan including premiums paid for retirement annuities, or life insurance where the respondent is not the beneficiary (Premiums on group life insurance for benefits less than \$50,000 need not be reported.), or any other arrangement which constitutes a form of compensation. Give the details of any plan not previously reported, the basis of determining the ultimate benefits payable, and the payments or provisions made during the year.

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

Line No.	Name of person (a)	Position of Title (b)	Salary per annum as of close of year (see instructions) (c)	Other compensation during the year (d)
1	Charles E. Bertrand	President and Chief Executive Officer	\$ 66	None
2	A. W. Hesse, Jr. #	Vice President-Law	48	None
3	J. R. Greene	Vice President-Finance	42	None
4	Oscar P. Benjamin	Vice President-Traffic	42	None
5	F. J. May	Vice President-Operation and Maintenance	42	None
6				
7				
8				
9				
10	# Paid by respondent through billing by Baltimore and Ohio Railroad Company, which includes Mr. Greene on its payroll.			
11				
12				
13	# This officer was also an officer of the Lessees-Ironton Railroad. The salary of this officer was paid by Reading Company, which, in turn, rendered bills against the Lessees-Ironton Railroad for its proportion. During the year 1973, bills were rendered for proportion of joint officers' salaries, as follows:			
14	A. W. Hesse, Jr. - \$600.00.			
15				
16				
17				
18				
19				
20	(a) Salary increased Aug. 1, 1973 from	\$46,455.00.		
21	(b) Salary increased Aug. 1, 1973 from	\$40,452.00.		
22	(c) Salary increased Aug. 1, 1973 from	\$40,452.00.		
23	(d) Salary increased Apr. 1, 1973 from	\$38,000.00;		
24	Aug. 1, 1973 from \$40,452.00.			
25				
26				
27				
28				
29				
30				
31				
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34				
35				
36				
37				
38				

ANNUAL REPORT 1973

118500

READING CO.

3 OF 3

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

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

(a) Payments to employees of the respondent shall be reported in Schedule 562.

(b) Payments for services rendered by affiliates shall be reported in Schedule 564.

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

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

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

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

Specify: Yes ☐ No ☒

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

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

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

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

(Dollars in thousands)

Line No.	Name of recipient (a)	Description of service (b)	Amount of payment (c)
1	Ace Shifting Co.	Towing	\$ 68
2	Alexander & Alexander	Insurance	988
3	Associated Hospital Service	Medical Coverage	154
4	Automavion Industries, Inc.	Rail Testing	51
5	R. H. Bogle Co.	Weed & Brush Control	80
6	J. E. Brennenman Co.	Repairing Piers	72
7	Casco Services, Inc.	Pick-up & Delivery of Trailers	87
8	Congress Inc.	Lodging for Train Crews	56
9	E.W. Coslett & Sons, Inc.	Stevedoring & Trimming of Coal	210
10	Fruit Growers Express Co.	Inspection of Mechanical Equipment	64
11	Robert Hawthorne, Inc.	Hauling at Piers	133
12	Hulcher Emergency RR Serv. Inc.	Clearing Wrecks	75
13	Lewis Rail Service Co.	Track Maintenance	189
14	J.A. McCarthy, Inc.	Stevedoring	52
15	Morgan, Lewis & Bockius, Inc.	Legal	153
16	N.M.U. Pension & Welfare	Pension Payments	60
17	W.V. Pangborne & Co., Inc.	Contractual Electrical Construction	194
18	Prestige Welders, Inc.	Welding on Bridges and Ore Cranes	133
19	Provident Life & Accident Insurance Co.	Insurance for Shop Craft and Signal Employees	73
21	Reading Company Y.M.C.A.	Food Furnished Relief Trains and Lodging for Employees	66
22	"	"	"
23	R.H. Snyder Associates, Inc.	Fuel Oil Conversion-Port Reading, N.J.	119
24	Frank Speno Railroad	"	"
25	Ballast Cleaning Co.	Ballast Maintenance	50
26	Trailer Co. of Reading	Trailer Repairs	113
27	Travelers Insurance Co.	Medical Coverage	3 195
28	Leroy Roofing Co.	Repairing Roof-Reading Loco. Shop	109

564. TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RECEIVED OR PROVIDED

1. Furnish the information called for below concerning each contract, agreement or arrangement (written or unwritten) in effect at any time during the year between the respondent and the affiliated companies listed in Schedule 104, or persons affiliated with the respondent including officers, directors, stockholders, owners, partners or their wives and other close relatives, or their agents. Examples of transactions are, but not restricted to, management, legal, accounting, purchasing or other type of service including the furnishing of materials, supplies, purchase of equipment, leasing of structures, land and equipment, and agreements relating to allocation of officers salaries and other common costs between affiliated companies.

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

- Lawful tariff charges for transportation services.
- Payments to or from other railroads for interline services and interchange of equipment.
- Payments to or from other railroads for services which may reasonably be regarded as ordinarily connected with routine operation, maintenance, or construction of a railroad, but any special or unusual transactions should be reported.
- Agreements relating to allocation of Federal income taxes between affiliated companies should be reported in Schedule 353 (p. 85).
- Agreements relating to joint pension plans with affiliated companies should be reported in explanatory notes section of Schedule 200 (p. 13).

2. In column (a) enter the name of the affiliated company, person, or agent with which respondent received or provided services aggregating \$30,000 or more for the year. If an affiliated company provides services to more than one affiliate, and the aggregate compensation amounts to \$30,000 or more for the year, list all the affiliates included in the agreement and describe the allocation of charges in column (d). If the respondent provides services to more than one affiliate, and the aggregate compensation amounts to \$30,000 or more for the year, reference to this fact should be made and the detail as to the allocation of charges should be stated. For those affiliates providing services to the respondent, also enter in column (a) the percent of affiliate's gross income derived from transactions with respondent.

Attach a balance sheet and income statement for each affiliate with which respondent had reportable transactions during the year. These statements should be prepared on the same accounting

year basis and in conformity with the balance sheet and income statement in annual report form A, and should be noted to indicate method of depreciating property, if any, furnished to the respondent. Balance sheet and income statement are not required for affiliated carriers filing annual reports with the Commission.

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

- If respondent directly controls affiliate insert the word "direct".
- If respondent controls through another company insert the word "indirect".
- If respondent is under common control with affiliate insert the word "common".
- If respondent is controlled directly or indirectly by the company listed in column (a) insert the word "controlled".
- If control is exercised by other means such as a management contract or other arrangement of whatever kind insert the word "other" and footnote to describe such arrangements.

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

5. In column (d) fully describe the basis for computing charges under each contract, agreement, etc.

6. In columns (e) and (f) indicate the date and term of each contract or arrangement. If oral contract, indicate with symbol "O".

7. In column (g) report the total amount received, paid, or accrued during the year which is applicable to the year, for each type of service listed in column (c). Indicate purchase items with the symbol "P" and sales items with the symbol "S". Do not report net figures when services are both provided and received between the respondent and an affiliate.

(Dollars in thousands)

Line No.	Name of Company or Individual and percent of gross income from respondent carrier (a)	%	Form of Affiliation (b)	Character of Service (c)	Basis of Charge (d)	Contract		Total Charges for Year	
						Date (e)	Term (f)	(P)(S)	(g)
1	Reading Transportation	-	Direct	Principally payments for	Cost Plus	Various		(P)	\$ 859
2	Company			TOFC Facilities at Phila.		Agreements			
3				Pa., plus Management fees					
4				and repairs to Automo-					
5				tive Equipment.					
6				Management fees, Trailer	Cost Plus			(S)	159
7				Rental, Reimbursement					
8				for Loss & Damage, Etc.					
9	(Cont'd on Page 124, Schedule 566A).								

Road Initials

RDG

Year 1973

565. OTHER TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT

1. Furnish the information called for below concerning transactions between the respondent and the affiliated companies listed in Schedule 104, or persons affiliated with the respondent including officers, directors, stockholders, owners, partners or their wives and other close relatives, or their agents. Examples of transactions are, but not limited to, purchase, sale or transfer of equipment, land, structures, securities or other assets aggregating \$30,000 in value for the year.

2. In column (a) enter the name of the affiliated company, person, or agent with which respondent transacted purchase, sale or transfer.

3. In column (b) indicate form of affiliation or control between the respondent and company or person identified in column (a) in accord with instruction No. 3 to Schedule 564.

4. In column (c) briefly describe the kind of asset purchased, sold or transferred.

5. In column (d) report the total of all purchases, sales or transfers of property with a value of \$30,000 or more. If individual items are less than that amount, report the total of all purchases or sales with the company or individual named in column (a) when the aggregate of such items is \$30,000 for the year. Indicate purchase items with the symbol "P" and sales items with the symbol "S".

6. In column (e) summarize the book cost, less accrued depreciation if applicable, for each item reported in column (d).

7. In column (f) report the net profit or loss for each item (column (d) less column (e)).

8. Answer all questions at bottom of schedule. (Dollars in thousands)

Line No.	Name of Company or Individual (a)	Form of Affiliation (b)	Description of Item (c)	Sales or Purchase Price (d)	Net Book Value (e)	Gain or (Loss) (f)
1	Rydal Equipment Co.	Direct	Sale of freight cars at scrap value and labor to dismantle	\$ 261 (\$)		\$
2			Purchase of scrap from dismantled cars	246 (P)		
3			Lease of 50 70-ton box cars	84 (P)		
4						
5	Port Reading Railroad	Direct	Retirement of Port Reading R.R. 3 3/4% First Mortgage Bonds held by Reading Company	258 (\$)		
6						
7	Trenton-Princeton Traction Co.	Direct	Return of Prior Advances by Reading Company	40 (\$)		
8						
9						
10						
11						
12						
13						

With respect to the transactions listed above, were any gains or losses incurred by other affiliated companies in the six (6) accounting years preceding this report year on the transfer of the item to the company or individual named in column (a)? Specify. Yes ___ No X If yes, give particulars of prior transaction such as sales price, and gain or loss.

Where any services provided or assets transferred between respondent and affiliated companies or individuals during the year for which no charges were assessed? Specify. Yes ___ No X If yes, explain.

**566 A. TRANSACTIONS BETWEEN NONCARRIER SUBSIDIARIES OF RESPONDENT AND OTHER AFFILIATED COMPANIES OR PERSONS
FOR SERVICES RECEIVED OR PROVIDED**

124

1. Furnish the information called for below concerning transactions between noncarrier subsidiaries of the respondent and other affiliated companies for services received or provided in accord with instruction No. 1 to Schedule 564.

2. In column (a) enter the name of the noncarrier subsidiary of respondent.

3. In column (b) enter the name of other affiliated company with which the noncarrier subsidiary received or provided services aggregating \$30,000 or more for the year.

4. In column (c) indicate form of affiliation or control between noncarrier subsidiary and other affiliated company identified in column (b) in accord with instruction No. 3 to Schedule 564.

5. In column (d) fully describe the character of service involved such as management fees, lease of building, purchase of material, etc. If more

than one type of service is provided, list each type of service separately. When services are both provided and received between the noncarrier subsidiary and other affiliate they should be listed separately and the amounts shown separately in column (h).

6. In column (e) fully describe the basis for computing charges under each contract, agreement, etc.

7. In columns (f) and (g) indicate the date and term of each contract or arrangement. If oral contract, indicate with symbol "O".

8. In column (h) report the total amount received, paid, or accrued during the year which is applicable to the year, for each type of service listed in column (d). Indicate purchase items with the symbol "P" and sales items with the symbol "S". Do not report net figures when services are both provided and received between the noncarrier subsidiary and other affiliate. (Dollars in thousands)

Line No.	Name of Respondent's Noncarrier Subsidiary Company (a)	Name of Other Affiliated Company (b)	Form of Affiliation (c)	Character of service (d)	Basis of Charge (e)	Contract		Total Charges for Year	
						Date (f)	Term (g)	(P)(S)	(h)
1				NONE				\$	
2									
3									
4	Continued from Page 122, Schedule 564:								
5	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(P)(S)	(h)
6	Pennsylvania-Reading Seashore Lines	-	Common	Management fees, Etc. Cost Plus	Various			(P)	10
7				Management fees, Etc. Cost Plus	Agreements			(S)	116
8									
9	Reading Dispatch, Inc.	-	Direct	Principally recovery of advances for contract work performed.	Cost Plus	"		(S)	666
10									
11									
12									
13									
14	Lessees-Ironton Railroad	-	Common	For services rendered for operation, clerical, management and per diem recovery.	Cost Plus	"		(S)	48
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									

Road Initials

RDC

Year 1973

566 B. OTHER TRANSACTIONS BETWEEN NONCARRIER SUBSIDIARIES OF RESPONDENT AND OTHER AFFILIATED COMPANIES OR PERSONS

1. Furnish the information called for below concerning other transactions between noncarrier subsidiaries of the respondent and other affiliated companies in accord with instruction No. 1 to Schedule 565.

2. In column (a) enter the name of the noncarrier subsidiary of respondent.

3. In column (b) enter the name of other affiliated company with which the noncarrier subsidiary transacted a purchase, sale or transfer of equipment, land, structures, securities or other assets aggregating \$30,000 in value for the year.

4. In column (c) indicate form of affiliation or control between noncarrier subsidiary and other affiliated company identified in column (b) in accord with instruction No. 3 to Schedule 564.

5. In column (d) briefly describe the kind of asset purchased, sold or transferred.

6. In column (e) report the total of all purchases, sales or transfers of property with a value of \$30,000 or more. If individual items are less than that amount, report the total of all purchases or sales when the aggregate of such items is \$30,000 for the year. Indicate purchase items with the symbol "P" and sales items with the symbol "S".

7. In column (f) summarize the book cost, less accrued depreciation if applicable, for each item reported in column (e).

8. In column (g) report the net profit or loss for each item (column (e) less column (f)).

9. Answer all questions at bottom of schedule.
(Dollars in thousands)

Line No.	Name of Respondent's Noncarrier Subsidiary Company (a)	Name of Other Affiliated Company (b)	Form of Affiliation (c)	Description of Item (d)	Sales or Purchase Price (e)	Net Book Value (f)	Gain or (Loss) (g)
1	Ambler Container Co.	Reading Transportation Co.	Indirect	Advance Account	(S) 84		
2				purchase of			
3				Intrastate			
4				operating			
5				rights of			
6				Pittsburgh-			
7				Philadelphia			
8				Transporta-			
9				tion Company.			
10							
11							
12							
13							
14							
15							
16							
17							

With respect to the transactions listed above, were any gains or losses incurred by other affiliated companies in the six (6) accounting years preceding this report year on the transfer of the item to the company or individual named in column (b)? Specify. Yes . . . No ☒. If yes, give particulars of prior transaction such as sales price, and gain or loss.

Were any services provided or assets transferred between noncarrier subsidiaries of respondent and other affiliated companies or individuals for which no charges were assessed? If so, explain. **No.**

571. CONSUMPTION OF FUEL BY MOTIVE-POWER UNITS

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

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

A. LOCOMOTIVES

Line No.	Kind of locomotive service (a)	Diesel	Electric	Other (Steam, Gas Turbine, Etc.)	
		Diesel oil (gallons) (b)	Kilowatt-hours (c)	Coal (tons) (d)	Fuel oil (gallons) (e)
1	Freight	14,259,546			
2	Passenger	95,987			
3	Yard switching	3,366,914			
4	Total	17,722,447			
5	Work train	215,970			
6	GRAND TOTAL	17,938,417	None	None	None
7	Total cost of fuel*	\$ 2,788	\$ None	\$ None	\$ None

B. RAIL MOTORCARS

Line No.	Kind of locomotive service (f)	Diesel	Electric	Gasoline
		Diesel oil (gallons) (g)	Kilowatt-hours (h)	Gasoline (gallons) (i)
8	Freight			
9	Passenger	520,543	45,492,133	
10	Yard switching		2,393,169	
11	Total	520,543	47,885,302	
12	Work train			
13	GRAND TOTAL	520,543	47,885,302	
14	Total cost of fuel*	\$ 80	\$ 1,576	\$ None

*Show cost of fuel charged to train and yard service (accounts Nos. 382 and 394, for other than electric, and accounts Nos. 383, 384, 395, and 396, for electric). The cost stated for the various kinds of fuel should be the total charges in the accounts specified, including freight charges and handling expenses. The cost stated for electric current should be the total charges in the accounts enumerated. Fuel and power consumed by mixed and special trains that are predominantly freight should be included in freight service, but where the service of mixed or special trains is predominantly passenger, the fuel and power used should be included in passenger service. (Dollars in thousands)

NOTES AND REMARKS

SCHEDULE 563 (Cont'd):

Line No.	Name of recipient (a)	Description of Service (b)	Amount of Payment (c)
29	Association of American R.R.	Membership Assessment	\$ 60
30	Association of Western R.R.	Official Traffic Assn. Rates, Etc.	14
31	Traffic Executive Association-Eastern Railroads	Official Traffic Assn. Rates, Etc.	171
32	Southeastern R.R. Assn. Bureau	Membership Assessment	5
33	Obermayer, Rebmann, Maxwell & Hipple	Legal	55
34	Day & Zimmerman	Valuation Study	57
35	White & Williams	Legal	144

581. CONTRACTS, AGREEMENTS, ETC.

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

- (a) Express companies.
- (b) Mail.
- (c) Sleeping, parlor, and dining-car companies.
- (d) Freight or transportation companies or lines.
- (e) Other railway companies.
- (f) Steamboat or steamship companies.
- (g) Telegraph companies.
- (h) Telephone companies.
- (i) Equipment purchased under conditional sales contracts.
- (j) Routing traffic of affiliated companies.
- (k) Other contracts.

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

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

of units of each class of equipment covered, and the terms and conditions of payment.

4. Under item 1(j) give particulars of arrangements, written or oral with affiliated companies for routing of traffic. Through route arrangements for handling of traffic interchanged with carrier affiliates should not be reported.

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

6. Information concerning contracts of minor importance may be omitted. A contract of minor importance is defined as one involving receipts or payments of less than \$25,000 per year, and which, by its terms, is otherwise unimportant.

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

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

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

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

1. (i) Chattel Mortgage Security Agreement dated June 4, 1973 between American Bank and Trust Company of Pennsylvania and Richardson Dilworth and Andrew L. Lewis, Jr., Trustees of the property of Reading Company, Debtor, whereby the Trustees borrowed \$402,543 payable in 20 consecutive quarterly installments (Plus Interest) beginning October 1, 1973 with interest at 9 1/2%, for the purpose of purchasing 26 units of Maintenance of Way Equipment which was pledged to secure this loan.
1. (i) Lease agreement dated May 15, 1973 for harness equipment to secure lading on 21 flat cars between Richardson Dilworth and Andrew L. Lewis, Jr., Trustees of the property of Reading Company, Debtor, as Lessee and Radnor Associates, Ltd., Lessor. Lessee agrees to pay rental in 20 consecutive quarterly installments of \$6,640.47 commencing October 3, 1973 for a total base rental of \$132,809.40. Lessors original cost for the equipment is \$113,817.
1. (i) Lease agreement dated October 23, 1973 for 30 Diesel Electric Locomotives between the First Pennsylvania Banking and Trust Company, as Trustee, and Richardson Dilworth and Andrew L. Lewis, Jr., Trustees of the property of Reading Company, Debtor, as Lessee. Lessee agrees to pay rental in 60 consecutive quarterly payments on a base rental of \$9,699,060.44 with one interim payment of \$211,052.14 on January 1, 1974 and 59 equal payments of \$160,813.70 commencing on April 1, 1974. Lessors original cost for the equipment is \$6,143,132.15. Lessee is also guarantor, as shown in Schedule 110, of purchaser's (Lessee) obligations under a conditional sale agreement of the same date with General Motors Corporation, for the 30 locomotives.

(Cont'd on Page 119).

591. CHANGES DURING THE YEAR

Hereunder state the matters called for. Make the statements explicit and precise, and number them in accordance with the inquiries; each inquiry should be fully answered, and if the word "none" truly states the fact it may be used in answering any particular inquiry. Changes in mileage should be reported by classes and stated to the nearest hundredth of a mile.

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

(Class 1) Line owned by respondent.

(Class 2) Line owned by proprietary companies.

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

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

(Class 5) Line operated under trackage rights.

2. For changes in miles of road, give dates of beginning or abandonment of operations. If any changes reportable in this schedule occurred

under authority granted by the Commission in certificates of convenience and necessity, issued under paragraphs (18) to (22) of section 1 of the Interstate Commerce Act or otherwise, specific reference to such authority should in each case be made by docket number or otherwise, as may be appropriate.

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

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

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

INCREASES IN MILEAGE

Line No.	Class (a)	Main (M) or branch (B) line (b)	Running Tracks, Passing Tracks, Cross-Overs, Etc.				Miles of way switching tracks (g)	Miles of yard switching tracks (h)	Total (i)	Remarks (j)
			Miles of road (c)	Miles of second main track (d)	Miles of all other main tracks (e)	Miles of passing tracks, cross-overs and turn-outs (f)				
1	3A	M				10	20		30	
2	3B	M					01		01	
3	5	B	02						02	
4										
5										
6										
7										
8										
9										
10										
11										
12										
13	Total Increase		02			10	21		33	

DECREASES IN MILEAGE

14	1	M	04		1	70	33	1	21	6	92	10	20
15	1	B	6	59			26	2	12		91	9	88
16	1J	B	28				09				20		57
17	3A	M								6	76	6	76
18	3B	M					32						32
19													
20													
21													
22													
23													
24													
25	Total Decrease		6	91		1	70	1	00	3	33	14	79

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

Owned by respondent:

Miles of road constructed None Miles of road abandoned 6.91

Owned by proprietary companies:

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.

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

600. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION

This schedule should be completed by carriers participating in the National Railroad Passenger Corporation (NRPC) agreement, as required by order of the Commission January 30, 1973, No. 35344 (Sub-NO. 3). Classify by accounts the amounts credited for remunerations for intercity

passenger service performed by respondent on behalf of NRPC. All contra entries should be indicated in parenthesis.

(Dollars in thousands.)

Line No.	Name of Account (a)	Amount (b)
	Maintenance of Way and Structures	\$
1	201 Superintendence	
2	202 Roadway Maintenance	
3	206 Tunnels and Subways	
4	208 Bridges, Trestles and Culverts	
5	210 Elevated Structures	
6	212 Ties	
7	214 Rails	
8	216 Other Track Material	
9	218 Ballast	
10	220 Track Laying and Surfacing	
11	221 Fences, Snowsheds and Signs	
12	227 Station and Office Buildings	
13	229 Roadway Buildings	None
14	231 Water Stations	
15	233 Fuel Stations	
16	235 Shops and Enginehouses	
17	247 Communication Systems	
18	249 Signals and Interlockers	
19	253 Power Plants	
20	257 Power-transmission Systems	
21	265 Miscellaneous Structures	
22	269 Roadway Machines	
23	271 Small Tools and Supplies	
24	272 Removing Snow, Ice and Sand	
25	273 Public Improvements; Maintenance	
26	274 Injuries to Persons	
27	276 Stationery and Printing	
28	277 Employees Health and Welfare Benefits	
29	278 Maintaining Joint Tracks, Yards and Other Facilities - Dr.	
30	279 Maintaining Joint Tracks, Yards and Other Facilities - Cr.	
31	281 Right-of-way Expenses	
32	282 Other Expenses	
33	Total	
	Maintenance of Equipment	
34	301 Superintendence	
35	302 Shop Machinery	
36	304 Power-plant Machinery	
37	305 Shop and Power-plant Machinery; Depreciation	
38	311 Locomotives; Repairs	
39	317 Passenger-train Cars; Repairs	None
40	326 Work Equipment; Repairs	
41	328 Miscellaneous Equipment; Repairs	
42	331 Equipment; Depreciation	
43	332 Injuries to Persons	
44	334 Stationery and Printing	
45	335 Employees Health and Welfare Benefits	

600. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION - Continued

Line No.	Name of Account (a)	Amount (b)	
	Maintenance of Equipment - Continued	\$	
46	336 Joint Maintenance of Equipment Expenses - Dr.		
47	337 Joint Maintenance of Equipment Expenses - Cr.		
48	339 Other Expenses	None	
49	Total		
	Traffic		
50	351 Superintendence		
51	352 Outside Agencies		
52	353 Advertising		
53	354 Traffic Associations		
54	358 Stationery and Printing	None	
55	359 Employees Health and Welfare Benefits		
56	360 Other Expenses		
57	Total		
	Transportation		
58	371 Superintendence		
59	372 Dispatching Trains		
60	373 Station Employees		
61	376 Station Supplies and Expenses		
62	377 Yardmasters and Yard Clerks		
63	378 Yard Conductors and Brakemen		
64	379 Yard Switch and Signal Tenders		
65	380 Yard Enginemen		
66	382 Yard Switching Fuel		
67	383 Yard Switching Power Produced		
68	384 Yard Switching Power Purchased		
69	388 Servicing Yard Locomotives		
70	389 Yard Supplies and Expenses		
71	390 Operating Joint Yards and Terminals - Dr.		
72	391 Operating Joint Yards and Terminals - Cr.		
73	392 Train Enginemen		
74	394 Train Fuel		
75	395 Train Power Produced	None	
76	396 Train Power Purchased		
77	400 Servicing Train Locomotives		
78	401 Trainmen		
79	402 Train Supplies and Expenses		
80	403 Operating Sleeping Cars		
81	404 Signal and Interlocker Operation		
82	405 Crossing Protection		
83	406 Drawbridge Operation		
84	407 Communication System Operation		
85	409 Employees Health and Welfare Benefits		
86	410 Stationery and Printing		
87	411 Other Expenses		
88	412 Operating Joint Tracks and Facilities - Dr.		
89	413 Operating Joint Tracks and Facilities - Cr.		
90	415 Clearing Wrecks		
91	420 Injuries to Persons		
92	Total		

600. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION - Concluded

Line No.	Name of Account (a)	Amount (b)	
	Miscellaneous	\$	
93	441 Dining and Buffet Service _____		
94	447 Operating Joint Miscellaneous Facilities - Dr. _____		
95	448 Operating Joint Miscellaneous Facilities - Cr. _____	None	
96	449 Employees Health and Welfare Benefits _____		
97	Total _____		
	General		
98	451 Salaries and Expenses of General Officers _____		
99	452 Salaries and Expenses of Clerks and Attendants _____		
100	453 General Office Supplies and Expenses _____		
101	454 Law Expenses _____		
102	456 Employees Health and Welfare Benefits _____		
103	457 Pensions _____	None	
104	458 Stationery and Printing _____		
105	460 Other Expenses _____		
106	461 General Joint Facilities - Dr. _____		
107	462 General Joint Facilities - Cr. _____		
108	Total _____		
	RENTS		
	Rent Income		
109	504 Rent from Locomotives _____		
110	505 Rent from Passenger-train Cars _____		
111	507 Rent from Work Equipment _____	None	
112	508 Joint Facility Rent Income _____		
113	Total Rent Income _____		
	Rents Payable		
114	537 Rent for Locomotives _____		
115	538 Rent for Passenger-train Cars _____		
116	541 Joint Facility Rents _____	None	
117	Total Rents Payable _____		
118	Net Rents (lines 113, 117) _____		
119	532 Railway Tax Accruals _____		
120	Total Remunerations _____		

REMARKS:

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 PENNSYLVANIA }
County of PHILADELPHIA } ss:

T. J. Giblin makes oath and says that he is Comptroller
(Insert here the name of the affiant) (Insert here the official title of the affiant)

Richardson Dilworth and Andrew L. Lewis, Jr., Trustees,
Of READING COMPANY, (Andrew L. Lewis, Jr., Surviving Trustee)

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

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

January 1, 19 73 and including December 31 19 73.

Subscribed and sworn to before me, a Notary Public, in and for the State and county above named,
this 28th day of March, 19 74.
My commission expires January 4, 1978

(Signature of affiant)

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 PENNSYLVANIA }
County of PHILADELPHIA } ss:

C. E. Bertrand makes oath and says that he is President
(Insert here the name of the affiant) (Insert here the official title of the affiant)

Richardson Dilworth and Andrew L. Lewis, Jr., Trustees,
of READING COMPANY, (Andrew L. Lewis, Jr., Surviving Trustee)

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

that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent and the operations of its property during the period of time from and including Jan. 1, 19 73 to and including Dec. 31, 19 73.

Subscribed and sworn to before me, a Notary Public, in and for the state and county above named,
this 28th day of March, 19 74.
My commission expires January 4, 1978

(Signature of affiant)

Use an
L.S.
impression seal

(Signature of officer authorized to administer oaths)

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READING CO.

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annual report

 INTERSTATE
COMMERCE COMMISSION

 ADMINISTRATIVE SERVICES
MAIL BRANCH

<i>Rate 24</i> READING COMPANY RICHARDSON DILWORTH AND ANDREW L. LEWIS, JR., TRUSTEES (ANDREW L. LEWIS, JR., SURVIVING TRUSTEE)	125000180READING CO 1 11850 READING CO. 12TH & MARKET STS. PHILADELPHIA, PA. 19107 CLILH
Correct name and address if different than shown.	Full name and address of reporting carrier. (Use mailing label on original, copy in full on duplicate.)



to the
Interstate Commerce Commission

FOR THE YEAR ENDED DECEMBER 31, 1973

NOTICE

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

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

(4) 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.

(5) 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 108, page 6.

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 parenthesis.

6. Money items, except averages, throughout the annual report form should be shown in thousands of dollars adjusted to accord with footings. Totals for amounts reported in subsidiary accounts included in supporting schedules must be in agreement with related primary accounts. For purposes of rounding, amounts of \$500 but less than \$1,000 should be raised to the nearest thousand dollars, and amounts of less than \$500 should be lowered.

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 F.

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 railroads, 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 OF ACCOUNTS FOR RAILROAD COMPANIES means the system of accounts 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	414	Schedule	411
"	415	"	412
"	532		

ANNUAL REPORT

OF

READING COMPANY

RICHARDSON DILWORTH AND ANDREW L. LEWIS, JR., TRUSTEES
(ANDREW L. LEWIS, JR., SURVIVING TRUSTEE)

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1973

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

(Name) T. J. Giblin (Title) Comptroller

(Telephone number) 215 922 - 6100 Ext. 500
(Area code) (Telephone number)

(Office address) Reading Terminal, Philadelphia, Pennsylvania, 19107.
(Street and number, city, State, and ZIP code)

SPECIAL NOTICE

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

This report, formerly designated Form A, has been reduced in size to make it easier to complete, convenient to handle and permit the use of standard copy machines to reproduce reports.

NOTICE - Inside Front Cover

New instruction 6 added to provide for the reporting of money items throughout the report in thousands of dollars.

Page 10: Schedule 200A. Comparative General Balance Sheet - Assets
Page 11: Schedule 200L. Comparative General Balance Sheet - Liabilities and Shareholders' Equity

Accounts 705 and 752 have been revised to read "Traffic, car service and other balances - Dr." and "Traffic, car service and other balances - Cr.," respectively to conform to the amendment of the Uniform System of Accounts for Railroad Companies (49 C.F.R. 1201), as authorized in Order of the Commission, in Docket No. 32153 (Sub-No. 3) dated November 10, 1972.

Page 15: Schedule 201. Items in Selected Current Asset Accounts

Instructions have been revised to require the reporting of the three largest items regardless of the dollar amount and minimum dollar amount increased to \$250,000.

Pages 16 and 17: Schedule 204. Sinking, Capital, Insurance and Other Reserve Funds

Instructions have been revised to require the reporting of the three largest funds in each account, and funds earmarked incentive per diem, regardless of the dollar amount and minimum dollar amount increased to \$250,000. Reporting of par value eliminated. Instructions clarified as to reporting of data in column (b).

Pages 20-23: Schedule 205. Investments in Affiliated Companies

Reporting of par value data eliminated.

Pages 24-27: Schedule 206. Other Investments

Reporting of par value data eliminated. Instructions revised to delete the requirement for reporting investments included in accounts numbered 715, 716 and 717, where those investments are held by trustees in lieu of cash deposits required under the governing instrument.

Pages 28 and 29: Schedule 209. Securities, Advances, and Other Intangibles Owned or Controlled Through Nonreporting Carrier and Noncarrier Subsidiaries

Reporting of par value data eliminated.

Page 46: Schedule 216. Other Assets and Deferred Charges
Page 55: Schedule 223. Items in Selected Current Liability Accounts
Page 57: Schedule 225. Items in Selected Reserve and Other Liability Accounts
Page 62: Schedule 233. Contingent Assets and Liabilities
Page 86: Schedule 371. Income from Lease of Road and Equipment
Schedule 372. Miscellaneous Rent Income
Page 87: Schedule 375. Separately Operated Properties - Profit or Loss

Instructions have been revised to require the reporting of the three largest items regardless of the dollar amount and minimum dollar amount increased to \$250,000.

Page 38: Schedule 376. Hire of Freight Cars

Reporting of "Net Balance of Unequipped Box Car Rentals Included in Line 23" has been eliminated.

Page 90: Schedule 383. Rent for Leased Roads and Equipment
Page 91: Schedule 384. Miscellaneous Rents

Instructions have been revised to require the reporting of the three largest items regardless of the dollar amount and minimum dollar amount increased to \$250,000.

Page 92: Schedule 396. Items in Selected Income and Retained Income Accounts for the Year

Minimum dollar amount increased to \$250,000.

Pages 99-105: Schedule 417. Inventory of Equipment

Provision has been made to report separately auxiliary locomotive units and instruction 6, page 99, revised accordingly. Column headings on pages 102 and 103, have been changed to read "Time-mileage cars" and "All other" instead of "Per diem" and "Non per diem." Column heading on pages 104 and 105 has been changed to read "All other" instead of "Non per diem" and instruction 6, page 103, revised accordingly.

Page 116: Schedule 531. Statistics of Rail-Line Operations

The reference to "per diem" cars has been changed to read "time-mileage" cars and instructions changed accordingly.

Pages 129-131: Schedule 600. Remunerations from National Railroad Passenger Corporation

New schedule to be completed by carriers participating in the National Railroad Passenger Corporation (NRPC) agreement, as required by order of the Commission, January 30, 1973, No. 35344 (Sub-No. 3).

101. IDENTITY OF RESPONDENT

Answers to the questions asked should be made in full, without reference to data returned on the corresponding page of previous reports. In case any changes of the nature referred to under inquiry 1 or 5 on this page have taken place during the year covered by this report, they should be explained in detail on page 128.

1. Give in full the exact name of the respondent. Use the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between *railroad* and *railway*. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification" (p. 132). If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision.

2. If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, give also date when such receivership or

other possession began. If a partnership, give date of formation and also names in full of present partners.

3. Give specific reference to laws of each State or Territory under which organized, citing chapter and section. Include all grants of corporate powers by the United States, or by Canada or other foreign country; also, all amendments to charter.

4. Give specific reference to special or general laws under which each consolidation or merger or combination of other form was effected, citing chapter and section. Specify Government, State, or Territory under the laws of which each company consolidated or merged or otherwise combined into the present company was organized; give reference to the charters of each and to all amendments of them.

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

1. Exact name of common carrier making this report READING COMPANY
 (May 24, 1871, Excelsior Enterprise Co. Name changed on March 31, 1873 to
 2. Date of incorporation National Co. Name changed December 7, 1896 to Reading Company.)
 3. Under laws of what Government, State, or Territory organized? If more than one, name all. Give specific reference to each charter or 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

State of Pennsylvania - April 7, 1870. (P.L. 1870 - Page 1025)

February 18, 1871. (P.L. 1871 - Page 92)

May 24, 1871. (P.L. 1871 - Page 1089)

On November 23, 1971, Reading Company filed a petition for reorganization under Section 77 of the Bankruptcy Act in the District Court of the United States for the (Cont'd below)

4. If the respondent was formed as the result of a consolidation or merger during the year, name all constituent and all merged companies.

No change

Eastern District of Pennsylvania. On December 21, 1971, the Court appointed Richardson Dilworth and Andrew L. Lewis, Jr., Trustees, and on January 24, 1972, the Trustees were duly qualified by the Court. (Mr. Dilworth died on January 23, 1974)

5. If respondent was reorganized during the year, give name of original corporation and state the occasion for the reorganization.

None

6. State whether or not the respondent during the year conducted any part of its business under a name or names other than that shown in response to inquiry No. 1, above; if so, give full particulars.

None

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

Not Applicable.

NOTES AND REMARKS

102. DIRECTORS

1. Give particulars of the various directors and officers of the respondent at the close of the year

2. State in column (e) of schedule No. 102 and column (d) of schedule No. 103, the number of voting shares of the respondent, other than directors' qualifying shares, that were beneficially owned, directly or indirectly, by each director or principal general officer at the close of the year. This includes shares owned of record, shares owned through holding companies, trusts or other mediums, and shares owned but held in the names of brokers or other nominees. Insert the word "None" where applicable.

3. In schedule No. 103 give the title, name, and address of the principal general officers having system jurisdiction by departments, as follows: Executive, Legal, Fiscal and Accounting, Purchasing, Operating, and Traffic. If there are receivers, trustees, or committees, who are recognized as in the controlling management of the road or of some department of it, give also their names and titles, and the location of their offices, separately grouped and identified.

4. If the duties of an officer extend to more than one department, or if his duties are not in accordance with the customary acceptance of his given title, state briefly the facts in a footnote.

Line No.	Name of director (a)	Office address (b)	Date of beginning of term (c)	Date of expiration of term (d)	Number of voting shares actually or beneficially owned (e)	Remarks (f)
1	R. W. Brown	Rdg.Term.Phila.Pa.	5/25/71		100	
2	Sidney D. Kline	35 N.6th St.Rdg."	"		100	
3	Edward F.	301 Crescent Pkwy,	"			
4	McGinley, Jr.	Sea Girt,NJ,08750			10	
5	Charles E. Bertrand	Rdg.Term.Phila.Pa.	"		100*	
6	George J. Rafkind	2 Broadway,				
7		New York,N.Y.	"		None	
8	Walter E.	676 S.Industrial				
9	Schoenfeld	Way,Seattle,Wash.	"		100	
10	Henry J. McGinness	1212 Williamson				
11		Bldg.Cleveland,O.	"		None	
12						
13	# Shares owned of	record only.				
14						
15						
16						
17						
18						
19						
20						

21. Give the names and titles of all officers of the Board of Directors in control of the respondent at the close of the year:

Chairman of board C. E. Bertrand

Secretary (or clerk) of board A. M. Arnold

22. Name the members of the executive committee of the Board of Directors of the respondent at the close of the year (naming first the chairman), and state briefly the powers and duties of that committee: R. W. Brown, Chairman; C. E. Bertrand and

G. J. Rafkind acts in the interim of Board Meetings.

103. PRINCIPAL GENERAL OFFICERS OF CORPORATION, RECEIVER, OR TRUSTEE

Line No.	Title of general officer (a)	Department or departments over which jurisdiction is exercised (b)	Name of person holding office at close of year (c)	Number of voting shares actually or beneficially owned (d)	Office address (e)
1	Trustee	Executive	Richardson Dilworth	None	Reading Terminal,
2	Trustee	Executive	Andrew L. Lewis, Jr.	None	Phila.,Pa.,19107
3	President & Chief				
4	Exec.Officer	Executive	C. E. Bertrand	100*	"
5	Asst.to Pres.& Ch.				
6	Exec.Officer	Executive	J. E. Frick	None	"
7	Vice Pres.-Law	Law	A. W. Hesse, Jr.	11	"
8	Vice Pres.-Finance	Fiscal	J. R. Greene	5*	"
9	Vice Pres.-Traffic	Traffic	O. P. Benjamin	11*	"
10	V.P.-Oper.& Maint	Operations	F. J. May	30	"
11	Secretary & Treas.	Organ. & Fiscal	A. M. Arnold	6*	"
12	Comptroller	Accounting	T. J. Giblein	10*	"
13	Asst.V.P.Admin.&	Executive and			
14	Pass.Service	Passenger	J. S. Warden	None	"
15	Dir.of Real Estate	Real Estate	J. P. Clark	None	"
16	Chief Engineer	Eng. & Construct.	E. C. Lawson	None	"
17	Purchasing Agent	Purch. & Stores	E. H. Follweiler	None	"
18	Asst.Comptroller	Accounting	R. A. Sutherland	None	"
19					
20	*All shares registered as joint tenants.			**Deceased January 23, 1974.	

104. RELATIONSHIP OF RESPONDENT WITH AFFILIATED COMPANIES

Enter below in the appropriate schedule, No. 104A through 104D, the names of all companies, corporate and noncorporate, which are affiliated with the respondent and submit the information requested in each schedule. Control for the purpose of these schedules shall be construed to include sole or jointly held control, whether maintained or exercised through or by reason of the method of or circumstances surrounding organization or operation, through or by common directors, officers, or stockholders a voting trust or trusts, a holding or investment company or compa-

nies, or through or by any other direct or indirect means; and to include the power to exercise control. For the purposes of these schedules, forms of control shall include the following (among others):

1. Right through ownership of securities, an agreement of some character or through some other source to name the majority of the board of directors, managers, or trustees of the controlled company.
2. Right to foreclose a first lien upon all or a major part in

value of the tangible property of the controlled company.

3. Right to secure control in consequence of advances made for construction of the operating property of the controlled company.

Right to control only in a specific respect the action of the controlled company or a lessee interest in the property of a company is not to be classed as a form of control over the lessor company.

104 A. COMPANIES CONTROLLED BY RESPONDENT

1. Enter in column (a) the names of all companies which are controlled solely or jointly by the respondent. If the respondent obtained control over a company during the year, indicate by footnote the date and manner in which control was established such as exchange of stock, exchange of assets for stock, cash purchase,

etc.

2. In column (b) indicate the principal business activity of each company listed in column (a) such as transportation, manufacturing, investments, etc.
3. In column (c) indicate the form of control exercised over companies listed in column (a).

4. In column (d) indicate the extent of the control of the respondent in the controlled company. If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.
5. In column (e) enter names of other companies, if any, that jointly control the companies listed in column (a).

Line No.	Name of Company Controlled (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)	If Jointly Controlled Name Other Parties to the Agreement (e)
1	East Pennsylvania Railroad	Rail Transportation	Stock Ownership	83%	
2	Company				
3	Eastern Real Estate Company	Sale & Purchase of Real Estate	Stock Ownership	100%	
4	The Ironton Railroad Company	Rail Transportation	Stock Ownership	50%	Lehigh Valley Railroad Co.
5	Pennsylvania-Reading Seashore	Rail Transportation	Stock Ownership	33 1/3%	Penn Central Transportation
6	Lines				Company
7	Philadelphia, Reading and	Communication	Stock Ownership	100%	
8	Pottsville Telegraph Company				
9	The Port Reading Railroad Company	Rail Transportation	Stock Ownership	100%	
10	Reading Dispatch, Inc.	Dealing in Personal Property	Stock Ownership	100%	
11	Reading Transportation Company	Truck Transportation	Stock Ownership	100%	
12	Rydal Equipment Co.	Equipment Financing	Stock Ownership	100%	
13	Trenton-Princeton Traction Company	Rail Transportation	Stock Ownership	100%	
14	Washington and Franklin Railway	Rail Transportation	Stock Ownership	100%	
15	Company				
16	The Wilmington and Northern	Rail Transportation	Stock Ownership	100%	
17	Railroad Company				
18	The Central Railroad Company of	Rail Transportation	Stock Ownership	49%	
19	New Jersey				

Road Initials

RDG year 1973

104 B. COMPANIES INDIRECTLY CONTROLLED BY RESPONDENT

1. Enter in column (a) the names of all companies which are controlled through intermediary companies. If control was obtained during the year, indicate by footnote the date and manner in which control was established such as exchange of stock, exchange of assets for stock, cash purchase, etc.
2. In column (b) indicate the principal business activity of the companies listed in column (a) such as transportation, manufacturing, investments, etc.
3. In column (c) indicate the form of control exercised over companies listed in column (a).
4. In column (d) indicate the extent of the control over companies listed in column (a). If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.
5. In column (e) enter the names of intermediate companies through which control is exercised over companies listed in column (a).

Line No.	Name of Company Controlled (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)	Name of Intermediary Through Which Control Exists (e)
1	Pittsburgh-Philadelphia	Truck Transportation	Stock Ownership	100%	Ambler Container Company
2	Transportation Company				
3	Ambler Container Company	General Manufacturing	Stock Ownership	100%	Eastern Real Estate Co.
4	Allentown Terminal Railroad	Rail Transportation	Stock Ownership	49%	Central Railroad Company
5					of New Jersey
6					
7					
8					
9					
10					

104 C. COMPANIES UNDER COMMON CONTROL WITH RESPONDENT

1. Enter in column (a) the names of all companies which are controlled by the same interest that control the respondent.
2. In column (b) indicate the principal business activity of the companies listed in column (a) such as transportation, manufacturing, investments, etc.
3. In column (c) indicate the form of control exercised over companies listed in column (a).
4. In column (d) indicate the extent of the control over companies listed in column (a). If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.
5. In column (e) enter the names of companies controlling those listed in column (a).

Line No.	Name of Company Controlled (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)	Name of Controlling Company or Individual (e)
1					
2					
3					
4		None			
5					
6					
7					
8					
9					
10					
11					

104 D. COMPANIES CONTROLLING RESPONDENT

1. Enter in column (a) the names of all companies controlling the respondent. Commence with the company which is most remote followed by the company immediately controlled by it. If control over the respondent or control over an intermediary through which respondent is controlled has changed during the year, indicate by footnote the date

and manner in which control was established such as exchange of stock, exchange of assets for stock, cash purchase, etc.

2. In column (b) indicate the principal business activity of the companies listed in column (a) such as transportation, manufacturing, investments, etc.

3. In column (c) indicate the form of control exercised by the company immediately controlled by it.

4. In column (d) indicate the extent of control. If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.

Line No.	Name of Controlling Company or Individual (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)
1				
2				
3		None		
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

108 STOCKHOLDERS REPORTS

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

Check appropriate box:

☐ Two copies are attached to this report.

☒ Two copies will be submitted April 1974
(date)

☐ No annual report to stockholders is prepared.

100. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common, \$ 50 per share; first preferred, \$ 50 per share; second preferred, \$ 50 per share; debenture stock, \$ — per share.
2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote Yes
3. Are voting rights proportional to holdings? Yes If not, state in a footnote the relation between holdings and corresponding voting rights.
4. Are voting rights attached to any securities other than stock? No If so, name in a footnote each security, other than stock to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.
5. Has any class or issue of securities any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method? No If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.
6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing Stock books do not close for any reason.
7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year. 2,795,291 votes, as of December 31, 1973
8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. (Date) 8,687 stockholders.
9. Give the names of the thirty security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements give, as supplemental information on page 13, the names and addresses of the thirty largest holders of the voting trust certificates and the amount of their individual holdings. If the stock book was not closed or the list of stockholders compiled within such year, show such thirty security holders as of the close of the year.
- List under Footnotes, page 8, Other Securities with Voting Power.

Line No.	Name of security holder (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED		
				Stocks		
				Common (d)	Second (e)	First (f)
1	John W. Sullivan	Chicago, Ill., 60630	423,689	214,133	131,467	78,088
2	John D. Mable	Chicago, Ill., 60603	423,688	214,133	131,467	78,088
3	Thomas A. Reynolds, Jr.	Chicago, Ill., 60670	423,688	214,134	131,466	78,088
4	Polk Bros. Inc./c/o Sam Polk	McLrose Pk. Ill. 60160	116,000	39,700	48,400	27,900
5	Merrill Lynch, P.F. & S. Inc.	New York, N.Y., 10006	96,590	58,496	19,213	18,881
6	Thomson & McK. Auch. Koh. Inc.	New York, N.Y., 10004	66,216	21,319	28,747	16,150
7	Tucker, Anthony & R.L. Day	New York, N.Y., 10005	48,208	20,595	20,703	7,020
8	Schweickart & Co.	New York, N.Y., 10004	26,961	5,200	12,601	9,160
9	E.F. Hutton & Company, Inc.	New York, N.Y., 10004	25,756	19,729	5,027	200
10	Hopkin, Watson Inc.	New York, N.Y., 10004	22,819	9,215	11,604	2,000
11	E. Lovitz & Co.	New York, N.Y., 10006	22,425	7,206	10,219	5,000
12	Sunshine Mining Co.	Kellog, Idaho	20,000	—	20,000	—
13	Mesirov & Company	Chicago, Ill., 60603	18,300	8,100	2,100	8,100
14	H. Hantz & Co., Inc.	New York, N.Y., 10005	18,267	16,946	1,211	110
15	DuPont Glove Forgan, Inc.	New York, N.Y., 10005	16,241	6,007	61	10,173
16	Bache & Co., Incorporated	New York, N.Y., 10038	15,309	10,882	2,917	1,510
17	Janney Montgomery Scott, Inc.	Phila., Penn., 19103	15,300	9,500	4,900	900
18	Sydney W. Roos	New York, N.Y., 10019	13,700	4,900	4,800	4,000
19	Harris M. Fields & Mrs. Rose	B. Hills, Cal., 90210	12,290	3,100	3,695	5,495
20	Lister & Co., c/o Chem. Bank	New York, N.Y., 10008	10,700	50	7,400	3,250
21	Harris, Upham & Co., Inc.	New York, N.Y., 10005	10,029	7,698	2,231	100
22	Lloyd Fields & Mrs. Rose F.	B. Hills, Cal., 90210	9,900	3,200	3,800	2,900
23	Loeb, Rhoades & Co.	New York, N.Y., 10005	8,844	6,228	1,536	1,080
24	Reynolds Securities, Inc.	New York, N.Y., 10005	8,503	4,037	4,166	300
25	Paine, Web., Jack. & Curt. Inc.	New York, N.Y., 10005	8,449	2,809	335	5,305
26	I. William Kerman	New York, N.Y., 10019	8,000	2,500	3,300	2,200
27	Walston & Co., Inc.	New York, N.Y.,	7,726	4,820	106	2,800
28	Shearson, Hammill & Co., Inc.	New York, N.Y., 10005	6,962	3,340	2,122	1,500
29	Percy Weissman	Montreal 101, Que.	6,500	—	4,500	2,000
30	Milton Berman	New York, N.Y., 10036	6,200	3,900	1,400	900

109. VOTING POWERS AND ELECTIONS—(Continued From Page 7)

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent. 2,399,510
votes cast.

11. Give the date of such meeting. May 25, 1971

12. Give the place of such meeting. Holiday Inn, 1311 Walnut Street, Phila., Penn.

*Due to the reorganization status of Reading Company, the account with Cede & Co. was closed as of June 30, 1972. The shares shown are still in the process of transfer from the account.

FOOTNOTES

Name of Security Holder (a)	Address of Security Holder (b)	Number of Votes to Which Security Holder was Entitled (c)	Number of Votes, Classified with Respect to Securities on Which Based			
			Stocks			Other Securities with Voting Power (g)
			Common (d)	Preferred Second (e)	First (f)	
*Cede & Co.	New York, N.Y., 10004	430	320	110	-	None

110. GUARANTIES AND SURETYSHIPS

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

This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than 2 years after date of issue. (Dollars in thousands)

Line No.	Names of all parties principally and primarily liable (a)	Finance Docket number, title, maturity date and concise description of agreement or obligation (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)
1	Reading Company has guaranteed, by endorsement, the payment of			
2	the principal of and the interest on the following obligations:			
3	The Del. & B.B. R.R.Co.	F.D.18983-1st Mtge.Con.11 1/2% Bds.8/1/85	1 175	Sole
4	The N.Penn.R.R.Co.	F.D.-7165-Fund Loan 4% Bonds,11/1/78	408	"
5	The N.Penn.R.R.Co.	F.D.17946-Mort.9.00% Bonds, 12/1/1975	2 275	"
6	The Port Reading R.R.Co.	FD-19148-1st Mtge.3-3/4% Bds.1/1/1981	500	"
7	The Wilm. & Nor.R.R.Co.	FD-6484-1st Mtge.4-1/2% Bds.12/1/1977	354	"
8	The Wilm. & Nor.R.R.Co.	FD-9612-Gen.Mtge.,5% Bonds, 8/1/1982	462	"
9				
10	Note: At the time Reading Company endorsed its guaranty on the			
11	above issues of bonds, it was the owner of the entire capital			
12	stock, or a majority interest therein, or operated the			
13	properties of the Companies named under long term leases.			
14				
15	Trailer Train Company	Agreement to advance payments of		
16		principal and interest on		
17		outstanding obligations.	24 421	Joint & Several
18				
19	Reading Company, as Lessee in underlying Leases of Railroad			
20	Equipment, is a party to the following Conditional Sale Agree-			
21	ments as Guarantor of all sums payable by the Vendee(Lessor):			
22	W.J.C. Leasing Corp.	Cond.Sale Agreement, 7.25%, 2/27/82	472	Sole
23	W.J.C. IV Equip. Corp.	" 6.50%, 7/31/82	872	"
24	W.J.C. IV Equip. Corp.	" 6.50%, 10/24/82	808	"
25	Del.Valley Equip.Co.	" 7.75%, 2/15/83	811	"
26	C.I.T. Corporation	" 8.0%, 3/01/84	2 339	"
27	Exton Leasing Corp.	" 8.125%, 9/01/84	2 896	"
28	Provident Bank,Cinci.,O.	" 9.0%, 9/15/84	1 339	"
29	C.I.T. Corporation	" 10.75%, 8/01/85	2 076	"
30	Segar Four Leasing Co.	" 11.0%, 1/01/87	4 686	"
31	Ardleigh Leasing Corp.	" 10.5%, 3/01/86	1 342	"
32	S.S.R. Leasing Corp.	" 10.5%, 7/01/86	828	"
33	Unlease No. 8, Inc.	" 10.0%, 1/01/87	1 460	"
34	First Penn.Bk.as Trustee	" 9.75% & 10.25%, 7/01/87	4 029	"
35	First Penn.Bk.as Trustee	" 10.25%, 10/01/88	4 298	"
36				
37				
38				

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

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

Line No.	Finance Docket number, title, maturity date and concise description of agreement or obligation (a)	Names of all guarantors and sureties (b)	Amount of contingent liability of guarantors (c)	Sole or joint contingent liability (d)
1			\$	
2	None			
3				
4				
5				
6				
7				
8				
9				

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 (c) should be res-

tated to conform with the accounting requirements followed in column (b). The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at beginning of year (c)
	CURRENT ASSETS		\$	\$
1	(701) Cash		1 232	203
2	(702) Temporary cash investments (p. 15)		5 000	6 000
3	(703) Special deposits (p. 15)		68	25
4	(704) Loans and notes receivable (p. 15)			
5	(705) Traffic, car service and other balances—Dr		7 126	6 059
6	(706) Net balance receivable from agents and conductors		1 941	2 113
7	(707) Miscellaneous accounts receivable		108	93
8	(708) Interest and dividends receivable		5 756	5 575
9	(709) Accrued accounts receivable (p. 15)		52	51
10	(710) Working fund advances		1 131	780
11	(711) Prepayments (p. 15)		4 832	4 387
12	(712) Material and supplies		197	151
13	(713) Other current assets (p. 15)		27 443	25 437
14	Total current assets			
	SPECIAL FUNDS			
		(a1) Total book assets at close of year	(a2) Respondent's own issues included in (a1)	
15	(715) Sinking funds (pp. 16 and 17)	\$ 4,906	None	4 906
16	(716) Capital and other reserve funds (pp. 16 and 17)			2 873
17	(717) Insurance and other funds (pp. 16 and 17)	122	None	122
18	Total special funds			2 933
	INVESTMENTS			
19	(721) Investments in affiliated companies (pp. 20-23)		19 083	19 298
20	(722) Other investments (pp. 24-27)		4 609	4 611
21	(723) Reserve for adjustment of investment in securities—Credit (p. 19, Instruction 9)		7 195	7 195
22	Total investments (accounts 721, 722 and 723)		16 497	16 714
	PROPERTIES			
23	(731) Road and equipment property: Road		190 288	190 092
24	Equipment		109 488	115 463
25	General expenditures		7 657	7 698
26	Other elements of investment		13 416	15 415
27	Construction work in progress		384	338
28	Total (pp. 30-32)		321 233	329 006
29	(732) Improvements on leased property: Road		27 660	27 829
30	Equipment		671	632
31	General expenditures		(167)	(162)
32	Total (pp. 30-32)		28 164	28 299
33	Total transportation property (accounts 731 and 732)		349 397	357 305
34	(735) Accrued depreciation—Road and equipment (pp. 36 and 38)		(100 128)	(100 075)
35	(736) Amortization of defense projects—Road and Equipment (p. 39)		(536)	(568)
36	Recorded depreciation and amortization (accounts 735 and 736)		(100 664)	(100 643)
37	Total transportation property less recorded depreciation and amortization (line 33 less line 36)		248 733	256 662
38	(737) Miscellaneous physical property (pp. 44 and 45)		14 276	14 599
39	(738) Accrued depreciation—Miscellaneous physical property (pp. 44 and 45)		(5 481)	(5 325)
40	Miscellaneous physical property less recorded depreciation (account 737 less 738)		8 795	9 204
41	Total properties less recorded depreciation and amortization (line 37 plus line 40)		257 528	265 866
	OTHER ASSETS AND DEFERRED CHARGES			
42	(741) Other assets (p. 46)		6 994	4 585
43	(742) Unamortized discount on long-term debt		97	111
44	(743) Other deferred charges (p. 46)		1 282	1 488
45	Total other assets and deferred charges		8 373	6 184
46	TOTAL ASSETS		314 869	317 134

NOTE—See page 12 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 (c) should be restated to conform with the accounting requirements followed in

column (b). The entries in short column (a1) should reflect total book liability at close of year. The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at beginning of year (c)
CURRENT LIABILITIES				
47	(751) Loans and notes payable (p. 55)		\$	\$
48	(752) Traffic, car service and other balances—Cr.		1 902	2 586
49	(753) Audited accounts and wages payable		256	110
50	(754) Miscellaneous accounts payable		971	1 465
51	(755) Interest matured unpaid		14	16
52	(756) Dividends matured unpaid			
53	(757) Unmatured interest accrued		162	195
54	(758) Unmatured dividends declared			
55	(759) Accrued accounts payable (p. 55)		22 097	22 559
56	(760) Federal income taxes accrued (p. 56)			
57	(761) Other taxes accrued (p. 56)		1 493	982
58	(763) Other current liabilities (p. 55)		4 928	4 576
59	Total current liabilities (exclusive of long-term debt due within one year)		31 823	32 489
LONG-TERM DEBT DUE WITHIN ONE YEAR				
60	(764) Equipment obligations and other debt (pp. 48-51)	(a1) Total issued \$ 2,111	(a2) Held by or for respondent 2 111	2 151
LONG-TERM DEBT DUE AFTER ONE YEAR				
61	(765) Funded debt unmatured	(a1) Total issued \$ 37,521	(a2) Held by or for respondent \$ 37,500	21 34
62	(766) Equipment obligations	7,751	—	7 751
63	(767) Receivers' and Trustees' securities (pp. 48-51)	6,037		9 457
64	(768) Debt in default	77,276	8	82 070
65	(769) Amounts payable to affiliated companies (p. 54)		904	1 044
66	Total long-term debt due after one year		91 981	92 605
RESERVES				
67	(771) Pension and welfare reserves (p. 57)			
68	(772) Insurance reserves (p. 57)			
69	(774) Casualty and other reserves (p. 57)		4 224	2 999
70	Total reserves		4 224	2 999
OTHER LIABILITIES AND DEFERRED CREDITS				
71	(781) Interest in default (p. 56)		7 264	4 930
72	(782) Other liabilities (p. 57)		32 251	21 154
73	(783) Unamortized premium on long-term debt		80	84
74	(784) Other deferred credits (p. 57)		1 302	2 812
75	(785) Accrued depreciation—Leased property (p. 37)		14 033	13 408
76	Total other liabilities and deferred credits		54 930	42 388
SHAREHOLDERS' EQUITY				
Capital stock (Par or stated value)				
77	(791) Capital stock issued: Common stock (p. 59)	(a1) Total issued \$ 70,000	(a2) Held by or for company \$ 11	69 989
78	Preferred stock (p. 59)	70,000	35	69 982
79	Total	140,000	49	139 951
80	(792) Stock liability for conversion (p. 60)			
81	(793) Discount on capital stock			
82	Total capital stock		139 951	139 951
Capital surplus				
83	(794) Premiums and assessments on capital stock (p. 61)			
84	(795) Paid-in surplus (p. 61)			
85	(796) Other capital surplus (p. 61)		794	794
86	Total capital surplus		794	794
Retained income				
87	(797) Retained income—Appropriated (p. 61)			
88	(798) Retained income—Unappropriated (p. 68)		(10 945)	3 757
89	Total retained income		(10 945)	3 757
90	Total shareholders' equity		129 800	144 502
91	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		314 869	317 134

NOTE: See page 12 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

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

1. Show hereunder the estimated accumulated tax reductions realized during current and prior years under Section 158 (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. \$ 1,520,600

(b) Estimated accumulated savings in Federal income taxes resulting from computing book depreciation under Commission rules and computing tax depreciation using the items listed below \$ 59,400

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

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

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

(c)(i) Estimated accumulated net income tax reduction utilized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962, as amended \$ None

(ii) If carrier elected, as provided in the Revenue Act of 1971, to account for the investment tax credit under the deferral method, indicate the total deferred investment tax credit in account 784, other deferred credits, at beginning of ye \$ None

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

Deduct deferred portion of prior year's investment tax credit used to reduce current year's tax accrual \$

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

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

(d) Estimated accumulated net reduction in Federal income taxes because of accelerated amortization of certain rolling stock since December 31, 1969, under provisions of Section 184 of the Internal Revenue Code \$ None

(e) Estimated accumulated net reduction in Federal income taxes because of amortization of certain right-of-way investments 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
			\$ None

Continued on following page

200. COMPARATIVE GENERAL BALANCE SHEET-EXPLANATORY NOTES—Continued

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:

Schedule 200L - Account 774 includes \$313,000 for incentive per diem for service months May to August 1973.

Item	Amount in dispute	As recorded on books		Amount not recorded
		Debit	Credit	
Per diem receivable	\$ 2	743	784	\$ None
Per diem payable				
Net amount	\$ 19	X X X X X X X X	X X X X X X X X	\$ None

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

5. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made \$ 37,350

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

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund. \$ 6,840

(c) Is any part of pension plan funded? Specify. Yes X No

(i) If funding is by insurance, give name of insuring company Not Insured

(ii) If funding is by trust agreement, list trustee(s) The First Pennsylvania Banking & Trust Co., Trustee

Date of trust agreement or latest amendment February 1, 1954

If respondent is affiliated in any way with the trustee(s), explain affiliation: No

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement Reading Transportation Company (match payroll contribution)

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

Yes No X

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

(ii) Are voting rights attached to any securities held by the pension plan? Specify. Yes X No If yes, who determines how stock is voted? The First Pennsylvania Banking and Trust Co., Trustee

(1) None.

(2) None.

(3) None.

* Company matches monthly contribution by employees; this is charged to Account 457. An annual contribution is made account interest on normal cost and unfunded actuarial liability. This is consistent with prior years.

Footnote from Schedule 200A:

Includes Other Elements of Investment ... \$(1,529,000)

Construction Work in Progress 20,000

NOTES AND REMARKS

201. ITEMS IN SELECTED CURRENT ASSET ACCOUNTS

Give brief description for each item or class of items of like description in accounts Nos. 702, "Temporary cash investments"; 703, "Special deposits"; 704, "Loans and notes receivable"; 709, "Accrued accounts receivable"; 711, "Prepayments"; and 713, "Other current assets," at the close of the year. Show description of the temporary cash investments, the names of depositaries for the special deposits, the character of loans and notes, with name of debtor (or class of debtors), dates of issue and maturity, and appropriate description for each class of accrued accounts receivable and for the other current assets. Show

the three largest items in each account regardless of the dollar amount, and all other items (or the aggregate of a class of items of like description, amounting to less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000". The entries for each account shall be listed and the account number and the total for each account shall be shown corresponding to the amounts in schedule 200A. 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.	Account No. (a)	Item (b)	(Dollars in Thousands)	Amount (c)
1	702	Repurchase Agreements - Philadelphia National Bank		\$ 3 000
2		Commercial Paper - Philadelphia National Capital Corporation		2 000
3				
4		Total Account 702		5 000
5				
6	703	First and Refunding Series "D" Interest Matured Deposited with		
7		Morgan Guaranty Trust Company		8
8		U.S. Savings Bond Fund - Provident National Bank		60
9				
10		Total Account 703		68
11				
12	709	Estimated Bills Receivable - Recurring		716
13		Outside Work in Suspense		310
14		Traffic and Car Service - Freight		3 960
15		Other Items Each Less Than \$250,000		770
16				
17		Total Account 709		5 756
18				
19	711	Insurance Premiums		416
20		Lease of 20 Locomotives Lease Financing Corporation		173
21		Lease of 30 Diesel Locomotives-First Penna. Banking & Trust Co.		163
22		Other Items Each Less Than \$250,000		379
23				
24		Total Account 711		1 131
25				
26	713	Advances Local and Interline Forwarded Traffic		58
27		Estimated Salvage in Suspense - Track Retirements - 1973		49
28		Advances - Amarada Hess Corporation		34
29		Other Items Each Less Than \$250,000		56
30				
31		Total Account 713		197
32				
33				
34				
35				
36				
37				

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

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

Except for deposits held by trustees for proceeds from sale of mortgaged properties, unspent proceeds from sale of equipment obligations, or the value of cars destroyed pledged under equipment financing obligations, which may be reported in total for each category, the designation of the individual fund as carried in the respondent's records should be

entered in Column (b). The entry should indicate the kind of fund, such as sinking, capital, property insurance, pension or relief; the rate of interest, if any; and the date of maturity.

Show the three largest funds in each account, and funds earmarked incentive per diem, regardless of the dollar amount, and all other funds where the amount reportable in Columns (d), (e), (f) or (g) is \$250,000, or more. Each fund amounting to less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000".

Line No.	Account No.	Name, kind, and purpose of fund	Name of trustee or depository
	(a)	(b)	(c)
1	716	Mortgage Property Sold:	
2		Reading Co. First and Refunding	Manufacturers Hanover Trust Company
3		Series "D" Mortgage.	Beneficial Mutual Savings Bank
4			Industrial Valley Bank
5			Philadelphia Savings Fund Society
6			Commonwealth Land Title Ins. Co.
7			
8		Sale of Equipment	Industrial Valley Bank
9			
10	716	Deposit Account Sale of Property:	
11		Delaware and Bound Brook Railroad	First Pennsylvania Bank & Trust Co.
12		North Pennsylvania Railroad Co.	First Pennsylvania Bank & Trust Co.
13			Commonwealth Land Title Insurance Co.
14		Wilmington & Northern Railroad Co.	First Pennsylvania Bank & Trust Co.
15			
16			
17	717	Insurance Funds:	
18		Workmen's Compensation Act-Penna.	First Pennsylvania Bank & Trust Co.
19			
20	717	Executive Deferred Compensation -	
21		Reserve Fund	Beneficial Mutual Savings Bank
22			
23	717	Security Bond Deposit-1970 Capital	New Jersey Realty Title Insurance
24		Stock Tax	Company
25			
26		B-P Oil Security Deposit	B-P Oil Company-Peoples Trust Company
27			of New Jersey
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			

Incentive income of \$ None earned on earmarked incentive per diem funds.

204. SINKING, CAPITAL, INSURANCE, AND OTHER RESERVE FUNDS—Concluded

Insert totals separately for each account. Such totals of columns (g) and (i) should be the same as those stated in short columns (a₁) and (a₂), respectively, in the comparative general balance sheet statement. Entries in column (g) should be the sums of corresponding entries in columns (d) and (e), less those shown in column (f), and the sum of entries in columns (h), (i), and (j) should equal those in column (g).

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

column (e).

Funds representing net credit balances of earmarked incentive per diem should be reported separately for each year. The amount of income earned on these funds should be reported in footnote to this schedule.¹ Wholly owned Canadian subsidiary lines should subdivide the earmarked funds between monies received from Canadian parent companies as a result of incentive charges and the carrier's own credit balances.

(Dollars in thousands)

Balance at beginning of year—Book value (d)	Additions during the year—Book value (e)	Withdrawals during the year—Book value (f)	Balance at close of year—Book value (g)	Assets in Funds at Close of Year			Line No.
				Cash (h)	Book value Securities issued or assumed by respondent (i)	Other securities and invested assets (j)	
\$							
2 003	27 795	25 931	3 867	5		3 862	1
179	64	241	2	2			2
	518	318	200			200	3
178	133	302	9	9			4
	2	2					5
							6
276	3 292	2 991	577			577	7
							8
							9
5			5	5			10
94	196	259	31	31			11
138		138					12
	424	209	215	6		209	13
2 873	32 424	30 391	4 906	58		4 848	14
							15
							16
52	100	101	51	1		50	17
							18
8			8	8			19
							20
	8		8	8			21
							22
							23
	55		55			55	24
60	163	101	122	17		105	25
							26
							27
							28
							29
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							41

211E. DEPRECIATION RESERVE—ROAD AND EQUIPMENT LEASED FROM OTHERS

Current Settlement for Depreciation Between Lessees and Lessors

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 includible 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.

(Dollars in thousands)

Line No.	Account (a)	Balance at beginning of year (b)		CREDITS TO RESERVE During the Year		Retirements (e)		Other debits (f)		Balance at close of year (g)
				Charges to operating expenses (c)	Other credits (d)					
	ROAD	\$		\$	\$	\$		\$		\$
1	(1) Engineering			3 690				2 287		
2	(2-1/2) Other right-of-way expenditures									
3	(3) Grading							406		
4	(5) Tunnels and subways									
5	(6) Bridges, trestles, and culverts			25 713				25 801		
6	(7) Elevated structures									
7	(13) Fences, snow sheds, and signs			512						
8	(16) Station and office buildings			5 896				4 657		
9	(17) Roadway buildings			262				148		
10	(18) Water stations			115						
11	(19) Fuel stations			267				117		
12	(20) Shops and enginehouses			4 094				1 456		
13	(21) Grain elevators									
14	(22) Storage warehouses									
15	(23) Wharves and docks			3 649				3 970		
16	(24) Coal and ore wharves			32 022				14 360		
17	(25) TOFC/COFC terminals			3 934				1 335		
18	(26) Communication systems			2 435				821		
19	(27) Signals and interlockers			6 595				6 127		
20	(29) Power plants			1 316				449		
21	(31) Power-transmission systems			3 091				1 498		
22	(35) Miscellaneous structures			3 891				1 567		
23	(37) Roadway machines									
24	(39) Public improvements—Construction			2 908				3 447		
25	(44) Shop Machinery*			1 161						
26	(45) Power-plant machinery*			5 109				2 422		
27	All other road accounts									
28	Total road	None		107 926	None	None		70 870		None
	EQUIPMENT									
29	(52) Locomotives									
30	(53) Freight-train cars									
31	(54) Passenger-train cars									
32	(55) Highway revenue equipment									
33	(56) Floating equipment									
34	(57) Work equipment									
35	(58) Miscellaneous equipment									
36	Total equipment	None		None	None	None		None		None
37	GRAND TOTAL	None		107 926	None	None		70 870		None

*Chargeable to account 305

The respondent settles with the lessors through Balance Sheet Account 721 - Investments in Affiliated Companies and 769 - Amounts Payable to Affiliated Companies by charging operating expenses with figures shown in Column (c) which are determined in accordance with the requirements of the Interstate Commerce Commission, with offsetting credit to Account 769 for the Port Reading Railroad Company and to Account 721 for the Wilmington and Northern Railroad Company and by adjusting these figures to the basis of the depreciation accruals determined in accordance with the requirements of the Bureau of Internal Revenue which are shown in Column (f) by charging Account 721 for the Wilmington and Northern Railroad and charging Account 769 for the Port Reading Railroad Company with offsetting credit to Expense Accounts, Maintenance of Way and Structures - 266-1 - Road Property Depreciation, Leased from Others and Maintenance of Equipment - 305-1 - Shop and Power Plant Machinery Depreciation, Leased from Others.

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 205 AND 206

1. Schedules 205 and 206 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of affiliated and nonaffiliated companies held by respondent at close of year specifically as investments including obligations of the United States, of a State or local government, or of an individual, so held; investments made, disposed of, or written down during the year; and dividends and interest credited to income. They should exclude securities issued or assumed by respondent. For definition of affiliated companies, see the rules governing account No. 721, "Investments in affiliated companies," in the Uniform System of Accounts for Railroad Companies.

2. These investments should be subdivided to show the book value pledged, unpledged, and held in fund accounts. Under "pledged" include the book 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 book 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. The kinds of industry represented by respondent's investments in the securities of other companies should be shown by symbol opposite the names of the issuing corporations, the symbols and industrial classifications to be as follows:

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

6. 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, express service and facilities, electric railways, highway motor vehicles, steamboats and other marine transportation equipment, pipe lines (other than those for transportation of water), and other instrumentalities devoted to the transportation of persons or property for hire. Telegraph and telephone companies are not meant to be included.

7. 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.

8. 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.

9. Any balance in account 723, Reserve for adjustment of investment in securities - Credit, shall be disclosed by footnote to the securities against which such reserves were established.

10. Show dollars in thousands.

NOTES AND REMARKS

Lien references and footnotes applicable to Schedule 206:

P1 Pledged with the Manufacturers Hanover Trust Company, Trustee, for Reading Company First and Refunding Mortgage, Series "D" and "E".

* Items included in Reserve for Adjustment of Investment in Securities-(Account 723).

† Dates not available.

205. INVESTMENTS IN AFFILIATED COMPANIES

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

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

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

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

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

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

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and description of security held; also lien reference if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR	
						Book Value of Amount Held at Close of Year	
						Pledged	Unpledged
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
P1 1	716	B-1	VII	Wilm. & Northern R.R. Co. 1st Mtge.	Due % \$ 12-1-77		\$
P1 2							
P1 3	721	A-1	VII	Central R.R. Co. of N.J. - Common	49		5 432
P1 4		A-1	VII	East Penna. R.R. Co. - Common	83	1 993	
P1 5		A-1	VII	Ironton R.R. - Common	50J	750	
P1 6		A-1	VII	Penna. - Reading S.L. - Common	33J		325
P1 7		A-1	VII	Penna. - Reading S.L. - Preferred	33J		333
P1 8		A-1	VII	Port Reading R.R. - Common	100	2 000	
P1 9		A-1	VII	Pullman Company - Common (1)	J		
P1 10		A-1	VII	Reading Transp. Co. - Common	100		2 100
P1 11		A-1	VII	Trailer Train Co. - Common	2J		150
P1 12		A-1	VII	Trenton-Princeton Tr. Co. - Common (1)	100		
P1 13		A-1	VII	Wash. & Franklin Rwy. Co. - Common	100	150	
P1 14		A-1	VII	Wilm. & Northern R.R. Co. - Common	100	1 259	
P1 15				Total A-1		6 152	8 340
P1 16							
P1 17		A-3	VI	Eastern Real Estate Co. - Common	100	1	
P1 18		A-3	VII	Phila., Rdg. & Potts Tel. Co. - Common	100	20	
P1 19		A-3	X	Reading Dispatch Inc. - Common	100	1	
P1 20		A-3	X	Rydal Equipment Co. - Common	100	1	
P1 21				Total A-3		23	
P1 22				Total A		6 175	8 340
P1 23							
P1 24		B-1	VII	Allentown Term. R.R. Co. - 1st Mtge.	J 7-1-74	238	
P1 25		B-1	VII	Central R.R. Co. of N.J. - Genl. Mtge.	7-1-87	170	
P1 26		B-1	VII	Pt. Reading R.R. Co. - 1st Mtge.	1-1-81	498	
P1 27		B-1	VII	Wilm. & Nor. R.R. Co. - 1st Mtge.	12-1-77	225	
P1 28		B-1	VII	Wilm. & Nor. R.R. Co. - Genl. Mtge.	8-1-82	464	
P1 29		B-1	VII	Wilm. & Nor. R.R. Co. - Deb. on Demand		62	
P1 30				Total B		1 657	
P1 31							
P1 32		D-1	VII	Trailer Train Co. - Unsecured Note	4-17-97		88
P1 33		D-1	VII	Railway Exp. Agency - Unsecured Note	12-31-73	347	
P1 34				Total D		347	88
P1 35							
P1 36		E-1	VII	East. Pa. R.R. Co. A/C Perm. Impts.	83		2 113
P1 37		E-1	VII	Penna. - Reading S.L. - Advances (1)	33J		
P1 38		E-1	VII	Trenton-Princeton Tr. Co. - Advances (1)	100		
P1 39		E-1	VII	Wilm. & Northern R.R. Co. - Advances	100		
P1 40				Total E-1			2 113
P1 41		E-3	X	Rydal Equip. Co.	100		50
P1 42		E-3	VI	Eastern Real Estate	100		1
P1 43		E-3	VII	Phila., Rdg. & Potts Tel. Co.	100		312
P1 44				Total E-3			363
P1 45				Total E			2 476
P1 46				Total Account 721		8 179	10 904

(1) Less than \$1,000.

For Lien Reference and Footnote, see Page 26.

205. INVESTMENTS IN AFFILIATED COMPANIES—Continued

6. If any of the companies included in this schedule are controlled by respondent, the percent of control should be given in column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.

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

8. Particulars of investments made, disposed of, or written down during the year should be given in columns (j) to (h) inclusive. If the cost of any investment made during the year differs from the book value reported

ed in column (j), explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein. If the consideration given or received for such investments was other than cash, describe the transaction in a footnote. Identify all entries in column (k), which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

9. This schedule should not include securities issued or assumed by respondent. (Dollars in Thousands)

INVESTMENTS AT CLOSE OF YEAR				Book value of investments made during year (j)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR				DIVIDENDS OR INTEREST DURING YEAR		Line No.
Book Value of Amount Held at Close of Year					Book value (k)	Selling price (l)	Rate (m)	Amount credited to income (n)			
In sinking, insurance, and other funds (h)	Total book value (i)										
\$	165	\$	165	\$		\$		4 1/2%	\$	7	1
											2
			5 432*								3
			1 993								4
			750*								5
			325*								6
			333*								7
			2 000								8
											9
			2 100								10
			150								11
											12
			150					5		8	13
			1 259								14
			14 492							8	15
											16
			1								17
			20								18
			1								19
			1								20
			23								21
			14 515							8	22
											23
			238					4 1/2		11	24
			170*					3 1/4			25
			498			257	258	3 3/4		28	26
			225					4 1/2		9	27
			464					5		21	28
			62					5		3	29
			1 657			257	258			72	30
											31
			88					6 1/2		6	32
			347*					5			33
			435							6	34
											35
			2 113		51		3				36
											37
					8		25				38
			2 113		59		28				39
			50								40
			1								41
			312		11						42
			363		11						43
			2 476		70		28				44
			19 083		70		285	258		86	45
											46

* See Footnote - Page 28.

205. INVESTMENTS IN AFFILIATED COMPANIES—Continued

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and description of security held; also lien reference, if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR	
						Book Value of Amount Held at Close of Year	
						Pledged	Unpledged
(a)	(b)	(c)	(d)	(e)	%	\$	\$
47							
48							
49							
50							
51							
52							
53							
54							
55							
56							
57							
58							
59							
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61							
62				None			
63							
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96							
97							
98							
99							

205. INVESTMENTS IN AFFILIATED COMPANIES—Concluded

INVESTMENTS AT CLOSE OF YEAR				Book value of investments made during year (j)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR				DIVIDENDS OR INTEREST DURING YEAR		Line No.
Book Value of Amount Held at Close of Year					Book value (k)	Selling price (l)	Rate (m)	Amount credited to income (n)			
In sinking, insurance, and other funds (h)	Total book value (i)										
\$		\$		\$		\$		%	\$		47
											48
											49
											50
											51
											52
											53
											54
											55
											56
											57
											58
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											96
											97
											98
											99

None

206. OTHER INVESTMENTS

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of others than affiliated companies, included in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; 722, "Other investments"; and 717, "Insurance and other funds." Investments included in accounts Nos. 715, 716 and 717 held by trustees in lieu of cash deposits required under the governing instrument are not to be reported.

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

(c). Investment in U. S. Treasury obligations may be reported as one item.

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

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

5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designa-

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company or government and description of security held; also lien reference, if any	INVESTMENTS AT CLOSE OF YEAR	
					Book Value of Amount Held at Close of Year	
					Pledged (e)	Unpledged (f)
(a)	(b)	(c)	(d)			
P1 1	722	A-1	VII	Balt. & Cumb. Val. R.R. Ext. Co. - Common	\$ 118	\$
P1 2		A-1	VII	Del. & Bound Brook R.R. Co. - Common (1)		
P1 3		A-1	VII	Lehigh & Hudson River Ry. Co. - Common	631	
P1 4		A-1	VII	North Penna. R.R. Co. - Common	2 886	
P1 5		A-1	VII	Phila. Belt Line R.R. Co. - Preferred	78	
P1 6		A-1	VII	Phila. Gtn. & Norristown R.R. - Common	151	
P1 7		A-1	VII	West Jersey & Seashore R.R. - Common	299	
8				Total A	4 163	
9						
10						
11						
12						
P1 13		B-1	VII	No. Penna. R.R. Funding Loan - 11-1-78	410	
14		B-1	VII	Dela. & Bound Brook R.R. - Deb. Bond		35
15				Total B-1	410	35
16						
17		B-3	X	Woodland C.C. - Club Membership (1)		
18				Total B-3		
19				Total B	410	35
20						
21	722	C-3	X	Churchill Valley C.C. - Club Membership		1
22		C-3	X	Ellicott Club Assn. - Membership (1)		
23		C-3	X	Phila. Commercial Exch. - Membership (1)		
24				Total C		1
25						
26						
27		D-3	II	Nyce Industries - Unsecured Note		
28				Total D		
29				Total Account 722	4 573	36
30						
31	717	B-3	IX	U.S. Treasury Bonds 8-15-76		
32		B-3	VI	Certificate of Deposit		
33				Total Account 717		
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						

(1) Less than \$1,000.

For Lien Reference and Footnote, See Page 19.

206. OTHER INVESTMENTS—Continued

tion mature serially, the date in column (d) may be reported as "Serially 19 ____ to 19 ____". In making entries in this column, abbreviations in common use in standard financial publications may be used where necessary on account of limited space.

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

7. Particulars of investments made, disposed of, or written down during the year should be given in columns (j) and (k). If the cost of any investment made during the year differs from the book value reported in

column (i), explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein. If the consideration given or received for such investments was other than cash, describe the transaction in the footnote. Identify all entries in column (j) which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

(Dollars in Thousands)

INVESTMENTS AT CLOSE OF YEAR				Book value of investments made during year (i)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.	
Book Value of Amount Held at Close of Year		Total book value (h)	Book value (j)		Selling price (k)	Rate (l)	Amount credited to income (m)			
In sinking, insurance, and other funds (g)										
\$		\$	118	\$		\$		5	6	1
			631							2
		2	886*							3
			78					5	4	4
			151					12	8	5
			299					6	15	6
		4	163						33	7
										8
										9
										10
										11
			410					4	16	12
			35							13
			445						16	14
										15
								2		16
										17
			445						16	18
										19
			1							20
					1		1			21
										22
			1		1		1			23
										24
					1		1			25
					1		1			26
					1		1			27
			4 609		2		2		49	28
										29
	50		50	50	50	50	50	6 1/2	2	30
	55		55	55				5	1	31
	105		105	105	50	50	50		3	32
										33
										34
										35
										36
										37
										38
										39
										40
										41
										42
										43
										44
										45
										46

206. OTHER INVESTMENTS—Continued

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company or government and description of security held; also lien reference, if any	INVESTMENTS AT CLOSE OF YEAR			
					Book Value of Amount at Close of Year			
					Pledged		Unpledged	
	(a)	(b)	(c)	(d)	(e)		(f)	
47					\$		\$	
48								
49								
50								
51								
52								
53								
54								
55								
56								
57								
58								
59								
60								
61								
62								
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67						None		
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206. OTHER INVESTMENTS—Concluded

INVESTMENTS MADE DURING YEAR				Book value of investments made during year (i)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.	
Book Value of Amount Held at Close of Year					Book value (j)	Selling price (k)	Rate (l)	Amount credited to income (m)		
In sinking insurance and other funds (g)	Total book value (h)									
\$		\$		\$		\$		% \$		47
										48
										49
										50
										51
										52
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										56
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					None					66
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										99

209. 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.

Line No.	Class No.	Name of issuing company and security or other intangible thing in which investment is made	Total book value of investments at close of year	Book value of investments made during year
	(a)	(b)	(c)	(d)
1	A 1	Reading Company	\$	\$
2		Common Stock	1	
3		First Preferred Stock	145	
4		Second Preferred Stock	5	
5	A 1	East Pennsylvania Railroad Co. - Stock	12	
6	A 1	Pittsburgh-Phila. Transp. Co.-Common Stock	800	
7		Total Class A 1	963	
8				
9	A 3	Ambler Container Corp. - Common Stock	1	
10		Total Class A	964	
11				
12	B 3	Greater Reading Development Fund		
13		Debenture Bonds	46	
14				
15	E 1	Pittsburgh-Phila. Transp. Co.-Advances	39	
16				
17	E 3	Ambler Container Corp. - Advances	50	
18		Total Class E	89	
19				
20				
21				
22				
23				
24				
25				

NOTES AND REMARKS

Lien references and footnotes applicable to Schedule 205:

P1 Pledged with the Manufacturers Hanover Trust Company, Trustee, for Reading Company First and Refunding Mortgage, Series "D" and "E".

J Joint Control:

Ironton Railroad Company -Lehigh Valley RR.Co.- 50% - Reading Company - 50%
 Penna.-Rdg.Seashore Lines-Pennsylvania RR.Co. - 67% - Reading Company - 33%
 Pullman Company -Reading Company -0.1% - Various Companies - 99.9%
 Trailer Train Company -Reading Company -2.4% - Various Companies - 97.6%
 Allentown Terminal R.R. -By Agreement dated July 10, 1889, the property of The Allentown Terminal Railroad Co. is leased jointly to Reading Company and The Central Railroad Company of New Jersey, with provision that Lehigh Coal and Navigation Company succeeds to The Central Railroad Company of New Jersey upon latter's cessation of operation of Lehigh and Susquehanna Railroad. Jersey Central owns 50% of the stock of the Terminal Company and Reading Company owns 49% of the stock of Jersey Central.

(Cont'd on Page 19)

209. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING CARRIER AND NONCARRIER SUBSIDIARIES—Continued

2. This schedule should include all securities, open account advances, and other intangible property owned or controlled by nonreporting companies shown in schedules 104A, 104B, and 205, as well as those owned or controlled by any other organization or individual whose action respondent is able to determine.

3. Investments in U.S. Treasury obligations may be combined in a single item.
4. Column (a), Class No., should show classifications as provided in instructions 3 and 4, page 19.

(Dollars in thousands)

INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR				Names of subsidiaries in connection with things owned or controlled through them (a)	Line No.
Book value (e)		Selling price (f)			
\$		\$		Philadelphia, Reading and Pottsville Telegraph Company	1
					2
					3
					4
				Phila., Reading and Pottsville Telegraph Company	5
				Ambler Container Corporation	6
					7
					8
				Eastern Real Estate Company	9
					10
					11
					12
				Phila., Reading and Pottsville Telegraph Company	13
					14
				Ambler Container Corporation	15
					16
				Rydal Equipment Company	17
					18
					19
					20
					21
					22
					23
					24
					25

NOTES AND REMARKS

211. ROAD AND EQUIPMENT PROPERTY (See Instructions page 32)

Line No	Account (a)	(Dollars in thousands) (b)	Balance at beginning of year (c)	Expenditures during the year for original road and equipment, and road extensions (d)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (e)
1	(1) Engineering	\$ 6,572	\$	\$	
2	(2) Land for transportation purposes	25,110			
3	(2 1/2) Other right-of-way expenditures	170			
4	(3) Grading	28,400			
5	(5) Tunnels and subways	2,164			
6	(6) Bridges, trestles, and culverts	30,181			
7	(7) Elevated structures	415			
8	(8) Ties	6,400			
9	(9) Rails	16,488			
10	(10) Other track material	10,944			
11	(11) Ballast	6,475			
12	(12) Track laying and surfacing	7,542			
13	(13) Fences, snowsheds, and signs	256			
14	(16) Station and office buildings	14,352			
15	(17) Roadway buildings	132			
16	(18) Water stations	(253)			
17	(19) Fuel stations	6			
18	(20) Shops and enginehouses	9,027			
19	(21) Grain elevators	5			
20	(22) Storage warehouses				
21	(23) Wharves and docks	1,162			
22	(24) Coal and ore wharves	3,980			
23	(25) TOFC/COFC terminals	228			
24	(26) Communication systems	2,796			
25	(27) Signals and interlockers	18,467			
26	(29) Power plants	732			
27	(31) Power-transmission systems	5,786			
28	(35) Miscellaneous structures	484			
29	(37) Roadway machines	3,403			
30	(38) Roadway small tools	91			
31	(39) Public improvements—Construction	9,630			
32	(43) Other expenditures—Road				
33	(44) Shop machinery	4,846			
34	(45) Power-plant machinery	3,086			
35	Other (specify and explain)				
36	Total expenditures for road	219,077			
37	(52) Locomotives	34,638			
38	(53) Freight-train cars	70,199			
39	(54) Passenger-train cars	7,057			
40	(55) Highway revenue equipment	428			
41	(56) Floating equipment	1,151			
42	(57) Work equipment	1,165			
43	(58) Miscellaneous equipment	1,456			
44	Total expenditures for equipment	116,094			
45	(71) Organization expenses				
46	(76) Interest during construction	6,630			
47	(77) Other expenditures—General	906			
48	Total general expenditures	7,536			
49	Total	342,707			
50	(80) Other elements of investment (p. 33)	13,886			
51	(90) Construction work in progress	712			
52	Grand Total	357,305			

* Various items each less than \$1,000.

211. ROAD AND EQUIPMENT PROPERTY (See Instructions page 32)

EXPENDITURES FOR ADDITIONS AND BETTERMENTS DURING THE YEAR		CREDITS FOR PROPERTY RETIRED DURING THE YEAR		Net changes during the year	Balance at close of year	Line No.
Made on owned property (e)	Made on leased property (f)	Owned property (g)	Leased property (h)	(i)	(j)	
\$ 29	\$ 24	\$ 19	\$ 4	\$ 30	\$ 6,602	1
*		119	(1)	(118)	24,992	2
					170	3
*	4	96	1	(93)	28,307	4
					2,164	5
7	(11)	27	30	(61)	30,120	6
					415	7
24	27	47	7	(3)	6,397	8
128	12	72	9	59	16,547	9
41	33	48	15	11	10,955	10
168	55	8	2	213	6,688	11
114	96	44	8	158	7,700	12
		*	*	*	256	13
62	(33)	32		(3)	14,349	14
		4		(4)	128	15
					(253)	16
		8		(8)	(2)	17
99		96	(2)	5	9,032	18
					5	19
						20
					1,162	21
23				23	4,003	22
	18			18	246	23
46	17	69	2	(8)	2,788	24
60	72	21	73	38	18,505	25
		24		(24)	708	26
30	17	9	7	31	5,817	27
*	*			*	484	28
402		240		162	3,565	29
		*		*	91	30
41	13	30	5	19	9,649	31
						32
52		108		(76)	4,770	33
		(11)		11	3,097	34
						35
1,306	344	1,110	160	380	219,457	36
69		2,590		(2,521)	32,117	37
5	39	2,886		(2,842)	67,357	38
		498		(498)	6,559	39
					428	40
					1,151	41
147				147	1,312	42
5		226		(221)	1,235	43
226	39	6,200		(5,935)	110,159	44
						45
(1)	(2)	35	3	(41)	6,589	46
*	*	5	*	(5)	901	47
(1)	(2)	40	3	(46)	7,490	48
1,531	381	7,350	163	(5,601)	337,106	49
*		2,000		(2,000)	11,886	50
46	(353)			(307)	405	51
1,577	28	9,350	163	(7,908)	349,397	52

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 211 ON PAGES 30 and 31

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

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

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

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

5. In column (f) show particulars for improvements made on property held under lease or other form of long-term contract and not charged to the owning company.

6. In columns (g) and (h) should be entered all credits representing property sold, abandoned, or otherwise retired.

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

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

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

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

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

11. If an amount of less than \$500 is used as the minimum debit or credit for additions and betterments to property investment accounts as provided for in Instruction 2-2, of the Uniform System of Accounts for Railroad Companies, state in a footnote the amount used.

12. Show dollars in thousands.

NOTES AND REMARKS

Schedule 211B, Page 34:

* 33.33 Car Racks Depreciated over 3 Year Lease (\$65,954 Fully Depreciated)					
* 16.67 Lubricators " " 6 " " (\$34,150 " ")					
* 11.87 Radio Equip. " " 8 " "					

211A. OTHER ELEMENTS OF INVESTMENT

1. Give particulars and explanation of all entries in account No. 80, "Other elements of investment," during the year.
2. In column (b) show the account number to which the entries in column (c) were credited and the account number to which the entries in

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

Line No.	Item (a)	Contra account number (b)	Charges during the year (c)	Credits during the year (d)
1	Clearing of Account 80 resulting from Adjustment		\$	\$
2	of the Primary Accounts to conform with cost			
3	of Property in the Valuation Records as			
4	Authorized in the Commission's Letter of			
5	August 20, 1964:			
6	Annual Credit	616		2 000
7				
8				
9				
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16				
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39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49				
50	TOTALS	x x x		2 000
51	NET CHANGES	x x x		2 000

211B. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

1. Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in columns (d) and (e) show the depreciation base used in computing the depreciation charges for the month of December; in columns (f) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 29 and 37 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. 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 composite rates to

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

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

3. Show in columns (e), (f), and (g), data applicable to property, used but not owned, when the rent therefor is included in account 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, 2-1/2, 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)	(Dollars in thousands)			OWNED AND USED			LEASED FROM OTHERS		
		Depreciation Base			Annual composite rate (percent)			Depreciation base		
		At beginning of year (b)	At close of year (c)		At beginning of year (e)	At close of year (f)		At beginning of year (e)	At close of year (f)	Annual composite rate (percent) (g)
		\$	\$	%	\$	\$	%	\$	\$	%
	ROAD									
1	(1) Engineering	5 209	5 217	1.03	2 233	2 225	1.03			
2	(2-1/2) Other right-of-way expenditures	83	83	.86						
3	(3) Grading	25 694	25 562	.15	8 826	8 825	.18			
4	(5) Tunnels and subways	2 188	2 188	.70	179	179	.54			
5	(6) Bridges, trestles, and culverts	26 471	26 430	1.21	9 095	9 091	1.27			
6	(7) Elevated structures									
7	(13) Fences, snowsheds, and signs	241	241	3.27	129	129	3.08			
8	(16) Station and office buildings	11 505	11 471	1.80	3 441	3 371	1.91			
9	(17) Roadway buildings	147	143	1.76	114	114	1.82			
10	(18) Water stations	10	10	2.52	5	5	2.25			
11	(19) Fuel stations	166	158	2.37	218	218	2.06			
12	(20) Shops and enginehouses	8 708	8 746	1.88	665	667	2.13			
13	(21) Grain elevators	4	4	1.58						
14	(22) Storage warehouses									
15	(23) Wharves and docks	1 059	1 059	2.65	182	182	2.38			
16	(24) Coal and ore wharves	3 499	3 815	2.26	1 483	1 327	2.59			
17	(25) TOFC/COFC terminals	201	201	3.96	131	149	3.96			
18	(26) Communications systems	1 601	1 555	3.17	1 109	1 086	3.68			
19	(27) Signals and interlockers	12 280	12 273	2.82	6 979	6 919	2.89			
20	(29) Power plants	508	485	1.64	256	256	1.62			
21	(31) Power transmission systems	2 104	2 128	2.84	3 398	3 393	2.47			
22	(35) Miscellaneous structures	505	506	1.52	174	174	2.42			
23	(37) Roadway machines	3 394	3 699	7.57						
24	(39) Public improvements—Construction	7 123	7 111	.81	4 813	4 828	.71			
25	(44) Shop machinery	3 530	3 498	2.88	165	165	2.88			
26	(45) Power plant machinery	2 263	2 273	2.81	871	871	2.82			
27	All other road accounts									
28	Amortization (other than defense projects)									
29	Total road	118 493	118 856	1.59	44 466	44 174	1.55			
	EQUIPMENT									
30	(52) Locomotives	33 392	32 256	5.00						
31	(53) Freight-train cars	70 335	68 235	3.27	620	620				
32	(54) Passenger-train cars	7 057	6 559	2.38						
33	(55) Highway revenue equipment	428	408	11.25						
34	(56) Floating equipment	1 192	1 191	2.50						
35	(57) Work equipment	1 159	1 306	3.91						
36	(58) Miscellaneous equipment	1 449	1 287	11.25	24	24				
37	Total equipment	115 012	111 242	3.84	644	644				
38	GRAND TOTAL	233 505	230 098	XX XX	45 110	44 818	XX XX			

* and See Notes on Page 32.

211C. 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 includible in operating expenses of the respondent, but for which the depreciation reserve is recorded in the accounts of the respondent. If the base for road is other than the original cost or estimated original cost as found by the Commission's Bureau of Accounts, brought to a current date by the respondent from its Order No. 3 records and accounts, or is other than ledger value for equipment, a full explanation should be given.

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

4. If the depreciation base for accounts 1, 2-1/2, 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) (d)
		Beginning of year (b)	Close of year (c)	
	(Dollars in thousands)			
	ROAD	\$	\$	
1	(1) Engineering			
2	(2-1/2) Other right-of-way expenditures			
3	(3) Grading			
4	(5) Tunnels and subways			
5	(6) Bridges, trestles, and culverts			
6	(7) Elevated structures			
7	(13) Fences, snowsheds, and signs			
8	(16) Station and office buildings			
9	(17) Roadway buildings		None	
10	(18) Water stations			
11	(19) Fuel stations			
12	(20) Shops and enginehouses			
13	(21) Grain elevators			
14	(22) Storage warehouses			
15	(23) Wharves and docks			
16	(24) Coal and ore wharves			
17	(25) TOFC/COFC terminals			
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			
	EQUIPMENT			
29	(52) Locomotives			
30	(53) Freight-train cars			
31	(54) Passenger-train cars			
32	(55) Highway revenue equipment			
33	(56) Floating equipment			
34	(57) Work equipment		None	
35	(58) Miscellaneous equipment			
36	Total equipment			
37	GRAND TOTAL			XXXXX

211D. 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 211F 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 parenthesis 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.

(Dollars in thousands)

Line No.	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the Year		DEBITS TO RESERVE During the Year		Balance at close of year (g)
			Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering	1 182	53		7		1 228
2	(2-1/2) Other right-of-way expenditures	13	1				14
3	(3) Grading	842	39		3		878
4	(5) Tunnels and subways	552	15				567
5	(6) Bridges, trestles, and culverts	9 546	320		10		9 856
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	227	8				235
8	(16) Station and office buildings	5 232	207		11		5 428
9	(17) Roadway buildings	(56)	3		4		(57)
	(18) Water stations	-	1				1
11	(19) Fuel stations	(408)	5		8		(411)
12	(20) Shops and enginehouses	2 426	164		95		2 495
13	(21) Grain elevators						
14	(22) Storage warehouses	(1)	-				(1)
15	(23) Wharves and docks	446	28		(12)		486
16	(24) Coal and ore wharves	1 139	85				1 224
17	(25) TOPC/COPC terminals	10	8				18
18	(26) Communication systems	1 052	49		50		1 051
19	(27) Signals and interlockers	5 890	346		12		6 224
20	(29) Power plants	142	8		24		126
21	(31) Power-transmission systems	1 861	60		(11)		1 932
22	(35) Miscellaneous structures	117	8				125
23	(37) Roadway machines	1 728	261		218		1 771
24	(39) Public improvements—Construction	1 328	57		24		1 361
25	(44) Shop machinery*	1 142	101		108		1 135
26	(45) Power-plant machinery*	1 396	64		(11)		1 471
27	All other road accounts						
28	Amortization (other than defense projects)						
29	Total road	35 206	1 891	None	540	None	37 157
	EQUIPMENT						
30	(52) Locomotives	24 120	1 643		2 412		23 351
31	(53) Freight-train cars	32 896	2 263		2 587		32 572
32	(54) Passenger-train cars	5 401	161		480		5 082
33	(55) Highway revenue equipment	305	47		26		326
34	(56) Floating equipment	463	30				493
35	(57) Work equipment	828	47		(25)		903
36	(58) Miscellaneous equipment	256	152		161		247
37	Total equipment	64 269	4 343	None	5 641	None	62 971
38	GRAND TOTAL	100 075	6 234	None	6 181	None	100 124

*Chargeable to account 305.

211E. 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 includible 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.

(Dollars in thousands)

Line No.	Account (a)	Balance at beginning of year (b)		CREDITS TO RESERVE During the Year		Retirements (e)		Other debits (f)		Balance at close of year (g)	
				Charges to operating expenses (c)	Other credits (d)						
	ROAD	\$		\$	\$	\$		\$		\$	
1	(1) Engineering		463	19			3				479
2	(2-1/2) Other right-of-way expenditures		3	-							3
3	(3) Grading		423	14							437
4	(5) Tunnels and subways		27	1							28
5	(6) Bridges, trestles, and culverts		3 029	90			29				3 090
6	(7) Elevated structures										
7	(13) Fences, snow sheds, and signs		121	4							125
8	(16) Station and office buildings		975	59			18				1 016
9	(17) Roadway buildings		(4)	2							(2)
10	(18) Water stations		(234)	-							(234)
11	(19) Fuel stations		(138)	4							(134)
12	(20) Shops and enginehouses		(345)	9			(3)				(333)
13	(21) Grain elevators		(1)	-							(1)
14	(22) Storage warehouses										
15	(23) Wharves and docks		(72)	-							(72)
16	(24) Coal and ore wharves										
17	(25) TOFC/COFC terminals		10	2			(4)				16
18	(26) Communication systems		1 247	38			4				1 281
19	(27) Signals and interlockers		3 941	194			73				4 062
20	(29) Power plants		(13)	3							(10)
21	(31) Power-transmission systems		2 593	81			5				2 669
22	(35) Miscellaneous structures		(56)	-							(56)
23	(37) Roadway machines		(24)	-							(24)
24	(39) Public improvements—Construction		887	31			2				916
25	(44) Shop Machinery*		(201)	4							(197)
26	(45) Power-plant machinery*		483	20							503
27	All other road accounts										
28	Total road		13 114	575	None		127	None			13 562
	EQUIPMENT										
29	(52) Locomotives										
30	(53) Freight-train cars		291	173							464
31	(54) Passenger-train cars										
32	(55) Highway revenue equipment										
33	(56) Floating equipment										
34	(57) Work equipment										
35	(58) Miscellaneous equipment		4	3							7
36	Total equipment		295	176	None		None	None			471
37	GRAND TOTAL		13 409	751	None		127	None			14 033

*Chargeable to account 305.

211F. 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 includible in operating expenses of the respondent. (See schedule 211D 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 column (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."

(Dollars in thousands)

Line No.	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the Year		DEBITS TO RESERVE During the Year		Balance at close of year (g)
			Charges to others (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering						
2	(2-1/2) Other right-of-way expenditures						
3	(3) Grading						
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts						
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs						
8	(16) Station and office buildings						
9	(17) Roadway buildings						
10	(18) Water stations						
11	(19) Fuel stations						
12	(20) Shops and enginehouses						
13	(21) Grain elevators						
14	(22) Storage warehouses			NONE			
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals						
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						
	EQUIPMENT						
29	(52) Locomotives						
30	(53) Freight-train cars						
31	(54) Passenger-train cars						
32	(55) Highway revenue equipment						
33	(56) Floating equipment						
34	(57) Work equipment						
35	(58) Miscellaneous equipment						
36	Total equipment						
37	GRAND TOTAL						

READING DISPATCH, INC.

COMPARATIVE INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 1973-72

	Amount for Current Year	Amount for Preceding Year
Operating Revenues	-	-
Operating Expenses	-	-
Net Revenue from Operations	-	-
Tax Accruals	\$ 48	\$ 10
Operating Income	(48)	(10)
Miscellaneous Income	-	2,775
Miscellaneous Income Charges	-	-
Income Available for Fixed Charges	(48)	2,765
Fixed Charges:	-	-
Interest on Funded Debt	-	-
Amortization of Discount on Funded Debt	-	-
Total Fixed Charges	-	-
Ordinary Income	(48)	2,765
Extraordinary Item	-	-
Net Income Transferred to Retained Income - Unappropriated	<u>\$(48)</u>	<u>\$2,765</u>

READING DISPATCH, INC.

COMPARATIVE GENERAL BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 1973-1972

	Balance at Close of Year	Balance at Beginning of Year
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Cash	\$ 77,912	\$ 23,101
Miscellaneous Accounts Receivable	169,194	38,028
Material and Supplies	77,516	220,761
Total Current Assets	<u>324,622</u>	<u>281,890</u>
Total Assets	<u>\$324,622</u>	<u>\$281,890</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
<u>CURRENT LIABILITIES</u>		
Audited Accounts and Wages Payable	\$ 95,358	\$ 13,000
Miscellaneous Accounts Payable	4,488	11,138
Accrued Accounts Payable	235,422	268,350
Total Current Liabilities	<u>335,268</u>	<u>292,488</u>
<u>AMOUNTS PAYABLE TO AFFILIATED COMPANIES</u>		
Reading Company	55,154	55,154
Reading Transportation Company	19,706	19,706
Total Amounts Payable to Affiliated Companies..	<u>74,860</u>	<u>74,860</u>
<u>SHAREHOLDERS' EQUITY</u>		
Capital Stock	1,000	1,000
Retained Income - Unappropriated	(86,506)	(86,458)
Total Shareholders' Equity	<u>(85,506)</u>	<u>(85,458)</u>
Total Liabilities and Shareholders' Equity	<u>\$324,622</u>	<u>\$281,890</u>

RYDAL EQUIPMENT CO.

COMPARATIVE INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 1973

	Amount for Current Year	Amount for Preceding Year
Operating Revenues	-	-
Operating Expenses	<u>-</u>	<u>-</u>
Net Revenue from Operations	-	-
Tax Accruals	<u>\$ 10</u>	<u>\$ 10</u>
Operating Income	<u>(10)</u>	<u>(10)</u>
Miscellaneous Income Charges	-	-
Income Available for Fixed Charges	<u>(10)</u>	<u>(10)</u>
Fixed Charges:		
Interest on Funded Debt	-	-
Amortization of Discount on Funded Debt	<u>-</u>	<u>-</u>
Total Fixed Charges	<u>-</u>	<u>-</u>
Ordinary Income	(10)	(10)
Extraordinary Item	<u>-</u>	<u>-</u>
Net Income Transferred to Retained Income - Unappropriated	<u><u>\$(10)</u></u>	<u><u>\$(10)</u></u>

RYDAL EQUIPMENT CO.

COMPARATIVE GENERAL BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 1973-1972

	Balance at Close of Year	Balance at Beginning of Year
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Cash	\$ 3,797	\$ 88,199
Miscellaneous Accounts Receivable	-	-
Material and Supplies	59,799	(31,511)
Total Current Assets	<u>63,596</u>	<u>56,688</u>
<u>INVESTMENTS IN AFFILIATED COMPANIES</u>		
Ambler Container Company	<u>50,000</u>	<u>50,000</u>
Total Assets	<u>\$113,596</u>	<u>\$106,688</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
<u>CURRENT LIABILITIES</u>		
Audited Accounts and Wages Payable	\$ 2,882	\$ 31,288
Accrued Accounts Payable	59,799	24,485
Other Taxes Accrued	10	-
Total Current Liabilities	<u>62,691</u>	<u>55,773</u>
<u>AMOUNTS PAYABLE TO AFFILIATED COMPANIES</u>		
Reading Company	<u>50,000</u>	<u>50,000</u>
<u>SHAREHOLDERS' EQUITY</u>		
Capital Stock	1,000	1,000
Retained Income - Unappropriated	(95)	(85)
Total Shareholders' Equity	<u>905</u>	<u>915</u>
Total Liabilities and Shareholders' Equity	<u>\$113,596</u>	<u>\$106,688</u>

AMBLER CONTAINER COMPANY

COMPARATIVE INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 1973

	Amount for Current Year	Amount for Preceding Year
Operating Revenues	-	-
Operating Expenses	-	-
Net Revenue from Operations	-	-
Tax Accruals	\$ 13	\$ 13
Operating Income	(13)	(13)
Miscellaneous Income	161	-
Miscellaneous Income Charges	537	195
Income Available for Fixed Charges	(389)	(208)
Fixed Charges:		
Interest on Funded Debt	33,041	36,449
Amortization of Discount on Funded Debt	584	2,788
Total Fixed Charges	33,625	39,237
Ordinary Income	(34,014)	(39,445)
Extraordinary Item - Credit	-	21,833
Net Income Transferred to Retained Income - Unappropriated	<u>\$(34,014)</u>	<u>\$(17,612)</u>

AMBLER CONTAINER COMPANY

COMPARATIVE GENERAL BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 1973-1972

	Balance at Close of Year	Balance at Beginning of Year
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Cash	\$ 5,853	\$ 4,346
Prepayments	5	3
Total Current Assets	<u>5,858</u>	<u>4,349</u>
<u>INVESTMENTS</u>		
Investments in Affiliated Companies:		
Pittsburgh-Philadelphia Transportation Co.:		
Stock	800,000	800,000
Advances	39,005	39,005
Total Investments	<u>839,005</u>	<u>839,005</u>
<u>OTHER ASSETS</u>		
Unamortized Discount on Long-term Debt	-	584
Total Assets	<u>\$ 844,863</u>	<u>\$ 843,938</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
<u>CURRENT LIABILITIES</u>		
Miscellaneous Accounts Payable	\$ 1,888	-
Other Taxes Accrued	10	-
Total Current Liabilities	<u>1,898</u>	<u>-</u>
Equipment Obligations and Other Debt Due		
Within One Year	<u>54,212</u>	<u>50,557</u>
<u>LONG-TERM DEBT</u>		
Funded Debt Unmatured	590,125	644,337
Amounts Payable to Affiliated Companies	367,665	284,067
Total Long-Term Debt Due After One Year	<u>957,790</u>	<u>928,404</u>
<u>OTHER LIABILITIES</u>	<u>129,463</u>	<u>129,463</u>
<u>SHAREHOLDERS' EQUITY</u>		
Capital Stock	1,000	1,000
Retained Income - Unappropriated	(299,500)	(265,486)
Total Shareholders' Equity	<u>(298,500)</u>	<u>(264,486)</u>
Total Liabilities and Shareholders' Equity	<u>\$ 844,863</u>	<u>\$ 843,938</u>

211G. 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, "Accrued 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, "Accrued 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 22. 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. (Dollars in thousands)

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)
1	ROAD:	\$	\$	\$	\$	\$	\$	\$	\$
2	Minor Items each less than \$100,000.				124				124
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21	TOTAL ROAD	None	None	None	124	None	None	None	124
22	EQUIPMENT:								
23	(52) Locomotives				203				203
24	(53) Freight-train cars		32		209		32		209
25	(54) Passenger-train cars								
26	(55) Highway revenue equipment								
27	(56) Floating equipment								
28	(57) Work equipment								
29	(58) Miscellaneous equipment								
30	TOTAL EQUIPMENT	None	32	None	412	None	32	None	412
31	GRAND TOTAL	None	32	None	536	None	32	None	536

NOTES AND REMARKS

Note: Schedule 211I:

<u>Class of Equipment</u> (a)	<u>REBUILT UNITS</u>		<u>Total Cost</u> (d)	<u>Method of Acquisition</u> (e)
	<u>Number of Units</u> (b)	<u>Total Weight (Tons)</u> (c)		
Welded Rail Train:				
*Flats - FMEX, FMNX	28			
*Gondolas - GHRX	3			
Total	31	29	\$106,651.11	S
*Series 97,000-97,030.				

These units were not reflected in Schedule 211I for 1972 because accounting had not been completed at time of filing Form A, 1972.

2111. UNIT COST OF EQUIPMENT INSTALLED DURING THE YEAR

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

2. In column (a) list each class or type of locomotive unit, car, or TOFC/COFC equipment on a separate line. By class is meant the standard classification used to distinguish types of locomotive units, freight cars or other equipment, adopted by the Association of American Railroads, and should include physical characteristics requested by Schedule 417; locomotive units should be identified as to power source, wheel arrangement, and horsepower per unit; such as Multiple purpose diesel locomotive A units (B-B), 2500 HP; and cars should be identified as to

special construction or service characteristics such as Aluminum covered hopper cars, L.O; Steel boxcars—special service, XAP, etc.; for TOFC/COFC show type of equipment as enumerated in Schedule 417, lines 74-84 and type of construction.

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

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

5. Data for this schedule should be confined to the units reportable in columns (c), (e), (p), and (r) of schedule 417, showing returns for new units in the upper section of this schedule and showing returns for rebuilt units acquired and rebuilt units rewritten into respondent's property investment account in the lower section. The term "new" as used herein shall refer to and mean a unit or units placed in service for the first time on any railroad.

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

(Dollars in thousands)

NEW UNITS

Line No.	Class of equipment (a)	Number of units (b)	Total weight (tons) (c)	Total cost (d)	Method of acquisition (see instructions) (e)
				\$	
1					
2					
3					
4					
5					
6					
7					
8	NONE				
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25	TOTAL		XX XX		XXXX

REBUILT UNITS

1	See Page 40 for information concerning 31 units						
2	reported in 1972 Form A in accordance with						
3	I.C.C. instructions.						
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
						</	

211N-1 INVESTMENT IN RAILWAY PROPERTY USED IN TRANSPORTATION SERVICE (SEE INSTRUCTION 2)

1. Give particulars, as requested, of the investment in transportation property at the close of the year, as related to "Net railway operating income," of the respondent for the year.

2. The term "Investment in railway property used in transportation service" means the aggregate of property owned, and property not owned but used by the respondent, in transportation service, (a) the investment in which is represented in accounts 731 and 732 of the respondent, including operating, lessor, and inactive railroads, (b) road and equipment property leased to or from others, the rentals of which are included in accounts 509 and 542, (c) equipment owned or leased, the lease-rental from which is included in accounts 503 to 507, inclusive, of the respondent, minus (d) investment in property leased to others the lease-rental from which is included in account 509. It does not include investment of others in equipment used by the respondent, rent for which is included in accounts 536 to 540, inclusive, nor does it include investment of other carriers in property jointly used by the respondent, such as trackage rights, rent for which is included in account 541 of the respondent. In column (a), classify each company in this schedule as respondent (R), lessor railroad (L), inactive or proprietary company (P), and other leased properties (O).

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

the respondent. Show a total for each class of company. Then show, as deductions, data for transportation property leased to carriers and others, rentals from which are included in account 509.

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

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

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

(Dollars in thousands)

Line No.	Class (See Ins. 2) (a)	Name of company (b)	Miles of road owned (See Ins. 4) (c)	Investment in property (See Ins. 5) (d)	Depreciation and amortization of defense projects (See Ins. 6) (e)
1	R	Reading Company	821 95	349 397	100 664
2	L	Allentown Terminal Railroad Company*	2 85	450)	
3	L	Delaware and Bound Brook Railroad Company	34 33	3 415)	
4	L	East Pennsylvania Railroad Company	35 81	4 455)	14 033 4
5	L	North Pennsylvania Railroad Company	94 31	10 509)	
6	L	Phila., Germantown & Norristown R.R. Co.	20 68	1 635)	
7	L	Plymouth Railroad Company	9 06	287)	
8	L	Port Reading Railroad Company	20 31	3 875	226
9	L	Wilmington and Northern Railroad Company	82 96	4 255	768
10	O	Leased Property Capitalized Rentals		2 000	
11					
12		* Line 2 - Allentown Terminal Railroad			
13		Company leased jointly to			
14		Reading Company and the			
15		Central Railroad Company of			
16		New Jersey.			
17		Mileage as shown is 100%			
18		Investment as shown is 50%			
19					
20		6 Separation by Companies not available.			
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39		TOTAL 4	1,122 27	380 278	115 691

211N-2. INVESTMENT IN RAILWAY PROPERTY USED IN TRANSPORTATION SERVICE—Continued

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

2. The amounts for respondent and for each group or class of companies and properties on line 53 herein, should correspond with the amount for respondent and with the aggregate amounts for each class of company and properties shown in schedule 211N-1 on page 42. Continuing records shall be maintained by respondent of the primary property accounts separately for each company or property included in this schedule.

3. Report on line 35 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 under "Notes and Remarks," page 40.

4. Report on line 36 amounts not includable in the accounts shown, or in line 35. The items reported should be briefly identified and explained under "Notes and Remarks," page 40. 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)	Respondent (b)	Lessor railroads (c)	Inactive (proprietary) companies (d)	Other leased properties (e)
1	(1) Engineering	\$ 6 602	\$ 902		
2	(2) Land for transportation purposes	24 992	1 836		
3	(2 1/2) Other right-of-way expenditures	170	(82)		
4	(3) Grading	28 307	5 820		
5	(5) Tunnels and subways	2 164	202		
6	(6) Bridges, trestles, and culverts	30 120	5 537		
7	(7) Elevated structures	415	(415)		
8	(8) Ties	6 397	2 044		
9	(9) Rails	16 547	3 452		
10	(10) Other track material	10 955	2 256		
11	(11) Ballast	6 688	2 073		
12	(12) Track laying and surfacing	7 700	1 844		
13	(13) Fences, snowsheds, and signs	256	90		
14	(16) Station and office buildings	14 349	1 738		
15	(17) Roadway buildings	128	105		
16	(18) Water stations	(253)	266		
17	(19) Fuel stations	(2)	188		
18	(20) Shops and enginehouses	9 032	336		
19	(21) Grain elevators	5			
20	(22) Storage warehouses				
21	(23) Wharves and docks	1 162	301		
22	(24) Coal and ore wharves	4 003	1		
23	(25) TOFC/COFC terminals	246	4		
24	(26) Communication systems	2 788	(74)		
25	(27) Signals and interlockers	18 505	1 147		
26	(29) Power plants	708	18		
27	(31) Power-transmission systems	5 817	(248)		
28	(35) Miscellaneous structures	484	33		
29	(37) Roadway machines	3 565			
30	(38) Roadway small tools	91	49		
31	(39) Public improvements—Construction	9 649	2 453		
32	(43) Other expenditures—Road				
33	(44) Shop machinery	4 770	45		
34	(45) Power-plant machinery	3 097	18		
35	Leased property capitalized rentals (explain)				2 000
36	Other (specify & explain)				
37	Total expenditures for road	219 457	31 939		2 000
38	(52) Locomotives	32 117			
39	(53) Freight-train cars	67 357			
40	(54) Passenger-train cars	6 559			
41	(55) Highway revenue equipment	428			
42	(56) Floating equipment	1 151			
43	(57) Work equipment	1 312			
44	(58) Miscellaneous equipment	1 235			
45	Total expenditures for equipment	110 159			
46	(71) Organization expenses				
47	(76) Interest during construction	6 589	2 749		
48	(77) Other expenditures—General	901	402		
49	Total general expenditures	7 490	3 151		
50	Total	337 106	35 090		2 000
51	(80) Other elements of investment	11 886	(6 209)		
52	(90) Construction work in progress	40			
53	Grand Total	349 397	28 881	None	2 000

214. MISCELLANEOUS PHYSICAL PROPERTY

1. Give particulars of all investments of the respondent in physical property includible in account No. 737, "Miscellaneous physical property," together with the revenue, income, expenses, taxes, and depreciation data on such property, as requested.

2. Show in column (a) a description and location of the physical property, and, if operated, the kind of business in which engaged, 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. Each item of property investment amounting to \$1,000,000 or more should be separately stated and each item whose net profit or net loss for the year (as per column (i), regardless of amount of investment) is \$50,000 or more should also be separately stated. All other

items may be combined in a single entry designated "All other items."

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

4. If any property investment includible in this schedule, amounting to \$250,000 or more, was disposed of during the year, give particulars in a footnote.

Line No.	Item (Kind and location of property, and nature of business, if any) (a)	A. INVESTMENT (ACCOUNT 737)				Balance at close of year (See ins. 3) (e)	
		Year of acquisition (b)	Charges during the year (c)	Credits during the year (d)			
			\$	\$		\$	
1	Port Richmond Grain Elevator,						
2	Phila., Penn.	Various	-	-		4	926
3	Piers A, B, C and D,	"	-	-		3	305
4	Port Richmond, Phila., Penn.	"	44	368		6	045
5	Other Items						
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22	Total	x x x x	\$44	\$368		\$14	276

NOTES AND REMARKS

214. MISCELLANEOUS PHYSICAL PROPERTY—Continued

5. In section B include in column (f) the gross amount of revenue or income included in accounts 502 and 511, in column (g) the gross amount of expenses (including depreciation) charged to accounts 511 and 534, in column (h) the amount of taxes charged to accounts 535 and 544 for the year, and in column (i) the net profit or loss of columns (f) minus (g) and (h).

6. Any differences between the total of column (h) and the totals of accounts 535 and 544, and differences between the total of column (i) and the net total of accounts 502, 511, 534, 535, and 544, of such accounts in Schedule 300, "Income Account for the Year," should be explained in a footnote.

7. In section C give an analysis of account 738, "Accrued depreciation—Miscellaneous physical property," for each item shown in column (a). Show in column (n) the percentage or composite rate used by the respondent for computing the amount of depreciation credited to the account during the year. Any adjustments of importance included in columns (j) and (k) should be fully explained in a footnote.

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

B. REVENUES, INCOME, EXPENSES AND TAXES CREDITED AND DEBITED TO ACCOUNTS 502, 511, 534, 535 AND 544 DURING THE YEAR					C. DEPRECIATION RESERVE (ACCOUNT 738)														
Revenues or income (f)		Expenses (g)		Taxes (h)	Net profit for year after taxes (L. loss) (i)	Credits during the year (j)		Debits during the year (k)		Balance at close of year (l)		Base (m)		Rates (n)	Line No.				
\$		\$		\$	\$	\$		\$		\$		\$							
	75		78		66		(69)		78			2	954	4	737	1.65 %	1		
	34		92		61		(119)		59			1	730	2	825	2.09	2		
	456		162		49		245		41		92		797	2	018	2.03	3		
																	4		
																	5		
																	6		
																	7		
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																	12		
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																	14		
																	15		
																	16		
																	17		
																	18		
																	19		
																	20		
																	21		
	565		332		176		57		178		92		5	481		9	580	XXXXX	22

NOTES AND REMARKS

216. OTHER ASSETS AND DEFERRED CHARGES

Give description and particulars for each item or class of items of like description in accounts Nos. 741, "Other assets," and 743, "Other deferred charges," at the close of the year. Show debtor (or class of debtors) for deferred assets and appropriate description for items or class of items of deferred charges. Show the three largest items regardless of the dollar amount and all other items (or the aggregate of a class of items of like description) amounting to \$250,000 or more. Each item or class of items of like description amounting to less than \$250,000 may be com-

bined into a single entry designated "Other items, each less than \$250,000". The entries for each account shall be listed and the account number and the total for each account shall be shown corresponding to the amounts in Schedule 200A. In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote

(Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Amount (c)
			\$
1	741	Purchase physical properties and franchises of Lehigh and	
2		Susquehanna Railway System	423*
3		Miscellaneous Accounts of Doubtful Value Agency	266
4		Accounts Receivable—offsets claimed by other railroads	405
5		Pennsylvania-Reading Seashore Lines-Interline Settlements	4 878
6		Damage to Reading Company property by Outside Parties	273
7		Other Items each less than \$250,000	749
8		Total Account 741	6 994
9			
10	743	Rehabilitation of 38 MU Cars	419
11		Unadjusted Capital Expenditures and Other Items under Investigation	99
12		Partial Settlement-Redevelopment Authority of the City of	
13		Philadelphia - Sale of Land	224
14		Other Items each less than \$250,000	540
15			1 282
16			
17			
18		*Reading Company is the owner of the Lehigh and Susquehanna Railway Sys-	
19		tem which was acquired under and Subject: (a) to all rights of	
20		The Central Railroad Company of New Jersey as Lessee under the	
21		Agreement of Lease of said System dated March 31, 1871, and (b)	
22		until May 1, 1998, to the rights of Lehigh Coal and Navigation Com-	
23		pany as Lessor under the said lease. The purchase of the said Sys-	
24		tem by Reading Company was authorized by Finance Docket No. 22306.	
25		Pursuant to authorization of the Commission in Finance Docket No.	
26		26659 the Trustees of The Lehigh Valley Railroad Company became the	
27		operator of the System in substitution for The Central Railroad	
28		Company of New Jersey.	
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 218 ON PAGES 48, 49, 50 AND 51

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

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

- (1) MORTGAGE BONDS:
 - (a) With fixed interest.
 - (b) With contingent interest.
- (2) COLLATERAL TRUST BONDS:
 - (a) With fixed interest.
 - (b) With contingent interest.
- (3) UNSECURED BONDS (Debentures):
 - (a) With fixed interest.
 - (b) With contingent interest.
- (4) EQUIPMENT OBLIGATIONS:
 - (a) Equipment securities (Corporation).
 - (b) Equipment securities (Receivers' and Trustees').
 - (c) Conditional or deferred payment contracts.
- (5) MISCELLANEOUS OBLIGATIONS.
- (6) RECEIVERS' AND TRUSTEES' SECURITIES (Other than equipment obligations).
- (7) SHORT-TERM NOTES IN DEFAULT.

Columns (f), (g), (h), (i), and (j) are intended further to classify the obligations of the company and are to be answered "yes" or "no."

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

If the issue is an income bond, the entry in column (d) should be the annual maximum rate of interest specified by the indenture. In column (k) show the approximate number of miles of road on which the mortgage is a direct junior lien and in column (h) the approximate number of miles of road on which the mortgage is a direct junior lien. Do not consider any road or other property indirectly subject to either a first or junior lien through the pledge of collateral, leaseholds, or other contractual rights in making the returns required in columns (i), (j), (k), and (h).

In column (m) enter the amount of debt both nominally and actually issued up to the date of the report and not the amount authorized. In the event debt is assumed, column (m) should include the amount of debt issued by the original debtor.

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

For definitions of "nominally issued," "nominally outstanding," "actually issued," and "actually outstanding," see schedule 228.

Entries in columns (v) and (w) 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.

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

The grand totals of columns (n) and (r), when combined, should equal the sum of the amounts stated in short column (a₂) for accounts Nos. 764, 765, 766, 767, and 768 in schedule 200L, "Comparative General Balance Sheet—Liabilities and Shareholders' Equity."

On page 51 give particulars of changes during the year in funded debt and other obligations. In column (z), state whether issued for construction of new properties, for additions and betterments, for purchase of railroad or other property, for conversion, for acquisition of securities, for reorganization, or for other corporate purposes. Also, give the number and date of authorization by the public authority under whose control such issue was made, naming such authority. For nominally issued securities, show returns in columns (z) and (aa) only.

For each class of securities actually issued or assumed, the sum of the entries in columns (bb) and (cc), plus discounts or less premiums, such discounts or premiums to be shown in a footnote applicable to each issue, should equal the entry in column (aa). For definition of expense, reportable in column (cc), see Definition 10 in the Uniform System of Accounts for Railroad Companies.

Particulars concerning the reacquirement of securities that were actually outstanding should be reported on pages 50 and 51, columns (a), (dd), and (ee). Include those securities that have been called for payment during the year for which liability has been transferred to account No. 763, "Other current liabilities."

Show dollars in thousands.

NOTES AND REMARKS

218. FUNDED DEBT AND OTHER OBLIGATIONS (Dollars in thousands)

Line No.	Name and character of obligation	Nominal date of issue	Date of maturity	INTEREST PROVISIONS		DOES OBLIGATION PROVIDE FOR-- (Answer "Yes" or "No")			IS OTHER PROPERTY (REAL OR PERSONAL OR LEASEHOLD) SUBJECT TO LIEN OF THE OBLIGATION? (Answer "Yes" or "No")		APPROXIMATE NUMBER OF MILES OF LINE DIRECTLY SUBJECT TO--	
				Rate percent per annum (current year)	Dates due	Con- version	Call prior to maturity other than for sinking fund	Sinking fund	First lien	Junior to first lien	First lien	Junior to first lien
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	Accts. 764-765-767-768											
2	1a 1st & Ref. Mtg. Ser. D	5-01-45	5-01-95	3.125	M & N 1	No	Yes	Yes	Yes	Yes	938.51	6
3	1a 1st & Ref. Mtg. Ser. E	5-01-63	5-01-95	5	M & N 1	No	Yes	No	Yes	Yes	938.51	6
4	Total 1a											
5	2a Collateral Tr. Notes	7-01-63	7-01-78	6.50	J & J 1	No	Yes	No	Yes	No		
6	5 Cornwall Railroad	8-01-67	11-01-74		J-A-J-01	No	No	No	Yes	No		
7	6 Fed. RR-Emerg. Rail											
8	Fac. Restora. Act	8-17-73	8-17-93	5.50	F-A 17	No	No	No	No	No		
9	6 Trustees Adminis-											
10	trative Obligation	10-01-73	-	6.50	-	No	No	No	No	No		
11	Total 6											
12												
13	Accounts 764-766											
14												
15	4a Equip. Trust Certif.											
16	Series "AA"	7-01-63	7-01-78	6.50	J & J 1	No	No	No	Yes			
17												
18	4c Equip. Obligations											
19	Diesel Locos.	12-15-58	6-01-74	4.25	Monthly	No	No	No	Yes			
20	Hoppers Cars	9-01-59	7-01-74	5.25	J & J 1	No	No	No	Yes			
21	Diesel Locos.	4-15-61	8-01-76	5	F & A 1	No	No	No	Yes			
22	Hop. Cars & Die'l Locos	1-01-62	3-01-77	5.25	M & S 1	No	No	No	Yes			
23	Box Cars	3-01-65	8-01-75	5.25	F & A 1	No	No	No	Yes			
24	Box Cars	9-01-65	9-01-77	5.125	M & S 1	No	No	No	Yes			
25	Hopper Cars	11-01-65	3-15-81	5.375	M & S 15	No	No	No	Yes			
26	Hopper Cars	6-15-66	8-15-81	6.25	F & A 15	No	No	No	Yes			
27	Hopper Cars	4-01-67	4-01-81	6.75	A & O 1	No	No	No	Yes			
28	Flat Cars	2-01-68	4-20-78	7.50	A & O 15	No	No	No	Yes			
29	Maint. of W. Equip.	6-01-68	5-01-73	7.25	M & N 1	No	No	No	Yes			
30	Gondola Cars	3-17-70	4-01-80	9.5	A & O 1	No	No	No	Yes			
31	Model 360 Computer	7-02-71	6-01-76	Pr. + 1%	M-J-S-D1	No	No	No	Yes			
32	Travelift Crane	4-01-71	11-15-76	Pr. + 1%	F-M-A-W1	No	No	No	Yes			
33	Highway Units	6-01-72	6-01-77	8.5	Monthly	No	No	No	Yes			
34	Maint. of Way Units	6-04-73	10-01-78	9.5	F-M-A-O	No	No	No	Yes			
35	Total 4 c											
36	Total 4											
37												
38												
39	Total Line 3											
40	Total Line 5											
41	Total Line 7											
42	Total Line 13											
43	Total Line 38											
44												
45												
46												
47												
48												
49												
50												
51	For Footnote - See Page 51.											
	Grand Total	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx

218. FUNDED DEBT AND OTHER OBLIGATIONS--Continued

Total amount nominally and actually issued (m)	AMOUNT NOMINALLY ISSUED AND—		Total amount actually issued (p)	AMOUNT REACQUIRED AND—		TOTAL AMOUNT ACTUALLY OUTSTANDING			Line No.
	Held in special funds or in treasury or pledged (Identify pledged securities by symbol "P"; matured by symbol "M") (n)	Canceled (o)		Canceled through sinking fund or otherwise canceled (Identify canceled through sinking fund by symbol "S") (q)	Held in special funds or in treasury or pledged (Identify pledged securities by symbol "P"; matured by symbol "M") (r)	Unmatured (accounts 765, 766, and 767) (s)	Unmatured (account 764) (t)	Matured and no provision made for payment (account 768) (u)	
\$ 84 000			\$ 84 000	\$ 29 922	\$ 8 M			\$ 54 070	1
37 500	37 500P(1)								2
121 500	37 500		84 000	29 922	8 M			54 070	3
									4
30 000			30 000	6 802				23 198	5
									6
150			150	109		21	20	(3)	7
									8
									9
1 235			1 235			1 235			10
									11
4 802			4 802			4 802			12
6 037			6 037			6 037			13
									14
									15
									16
									17
11 000		11 000							18
									19
									20
1 144			1 144	1 115			29		21
3 000			3 000	2 845			155		22
918			918	735		122	61		23
7 037			7 037	5 402		1 166	469		24
1 500			1 500	1 200		150	150		25
1 200			1 200	827		273	100		26
3 775			3 775	1 933		1 590	252		27
3 300			3 300	1 582		1 498	220		28
2 550			2 550	1 073		1 307	170		29
429			429	158		243	28		30
433			433	433					31
750			750	263		412	75		32
712			712	356		214	142		33
182			182	46		113	23		34
681			681	184		361	136		35
403			403	20		302	81		36
28 014			28 014	18 172	40	7 751	2 091		37
39 014		11 000	28 014	18 172		7 751	2 091		38
									39
121 500	37 500		84 000	29 922	8			54 070	40
30 000			30 000	6 802				23 198	41
150			150	109		21	20		42
6 037			6 037			6 037			43
39 014		11 000	28 014	18 172		7 751	2 091		44
									45
									46
									47
									48
									49
									50
196 701	37 500	11 000	148 201	55 005	8	13 809	2 111	77 268	51

218. FUNDED DEBT AND OTHER OBLIGATIONS—Continued

Line No.	Name and character of obligation (List on same lines and in same order as on page 48)	AMOUNT OF INTEREST ACCRUED DURING YEAR		Amount of interest paid during year	Total amount of interest in default
		Charged to income	Charged to investment accounts		
(a)	(v)	(w)	(x)	(y)	
	Accounts 764-765-766-767-768	\$	\$	\$	\$
1	1a 1st & Ref.Mtg.Series "D"	1 690			3 660
2	1a 1st & Ref.Mtg.Series "E"				
3	Total 1a	1 690			3 660
4					
5	2a Collateral Trust Notes	1 278			3 604
6					
7	5 Cornwall Railroad				
8					
9	6 Fed.RR.Excess-Rail Facilities				
10	Restoration Act	25			
11	Trustees Administrative				
12	Obligation	312			
13	Total 6	337			
14					
15	Accounts 764-766				
16					
17	4a Equip. Trust Certificates				
18	Series "AA"				
19					
20	4c Equipment Obligations				
21	Diesel Locos.	3		3	
22	Hopper Cars	11		16	
23	Diesel Locomotives	11		12	
24	Hopper Cars & Diesel Locos.	98		107	
25	Box Cars	18		22	
26	Box Cars	23		25	
27	Hopper Cars	106		109	
28	Hopper Cars	113		118	
29	Hopper Cars	105		109	
30	Flat Cars	23		23	
31	Maint. of Way Equipment	1		1	
32	Gondola Cars	50		52	
33	Model 360 Computer	35		38	
34	Travelift Crane	14		14	
35	Highway Units	52		49	
36	Maint. of Way Units	1		1	
37	Total 4c	664		699	
38		664		699	
39					
40	Total Line 3	1 690			3 660
41	Total Line 5	1 278			3 604
42	Total Line 7				
43	Total Line 13	337			
44	Total Line 38	664		699	
45					
46					
47					
48					
49					
50					
51	Grand Total	3 969		699	7 264

218. FUNDED DEBT AND OTHER OBLIGATIONS—Concluded

SECURITIES ISSUED OR ASSUMED DURING YEAR				SECURITIES REACQUIRED DURING YEAR				Line No.
Purpose of the issue and authority (z)	Par value (aa)	Net proceeds received for issue (cash or its equivalent) (bb)	Expense of issuing securities (cc)	AMOUNT REACQUIRED				
				Par value (dd)	Purchase price (ee)			
(1) Footnote, applicable to Line 2, Page 49, to provide funds to reimburse respondent for expenditures made from its own funds after January 1, 1957, for certain additions and betterments or other capital expenditures and authorized by I.C.C. at Finance Docket No. 22546 on June 26, 1963, and Supplemental Order dated June 15, 1964.	\$	\$	\$	\$	\$			1
								2
								3
					5	12	12	4
								5
								6
								7
								8
								9
								10
								11
								12
								13
								14
								15
								16
Footnote Applicable to Page 48:								17
Includes 125.27 miles of track referred to in Line 1 of Sched.216.								18
Additions and Betterments.								19
						75	76	20
						200	200	21
						61	61	22
						469	469	23
						150	150	24
						100	100	25
						261	261	26
						220	220	27
						174	174	28
						29	29	29
						28	28	30
						75	75	31
						142	142	32
						23	23	33
						120	120	34
						20	20	35
	403	403				2 148	2 148	36
	403	403				2 148	2 148	37
	403	403						38
								39
Total Line 3								40
Total Line 5						12	12	41
Total Line 7								42
Total Line 13								43
Total Line 38	403	403				2 148	2 148	44
								45
								46
								47
								48
								49
								50
Grand Total	403	403				2 160	2 160	51

219. EQUIPMENT COVERED BY EQUIPMENT OBLIGATIONS

Give the particulars called for regarding the equipment obligations included in schedule 218, "Funded Debt and Other Obligations" (accounts Nos. 764, "Equipment obligations and other debt due within 1 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 cov-

ered by the obligation. In column (c) show the contract price to the original debtor; in column (d) show the cash paid on acceptance of equipment by the original debtor; do not report the price paid on a subsequent sale and assumption of balance of debt.

(Dollars in thousands)

Line No.	Designation of equipment obligation (List names in the same order as in schedule 218)	Description of equipment covered	Contract price of equipment acquired	Cash paid on acceptance of equipment
	(a)	(b)	(c)	(d)
1			\$	\$
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15		Diesel Maint.		
16		Electric of Way		
17		Locomotive Freight Equip.		
18		Units Cars Units Other		
19				
20	Conditional Sales Agreements:			
21	Dec. 15, 1958	14	1 431	287
22	Sept. 1, 1959	500	3 336	336
23	Apr. 15, 1961	10	1 020	102
24	Jan. 1, 1962	20	8 806	1 768
25	Mar. 15, 1965	115	1 500	None
26	Sept. 1, 1965	150	1 200	None
27	Nov. 1, 1965	700	3 775	None
28	June 15, 1966	600	3 300	None
29	Apr. 1, 1967	500	2 550	None
30	Feb. 1, 1968	25	477	48
31	June 1, 1968	29	X 433	None
32	Mar. 17, 1970	100	750	None
33	July 2, 1971	Model 360 Computer	712	None
34	Apr. 1, 1971		182	None
35	June 1, 1972		681	None
36	Oct. 1, 1973	26	403	None
37				
38		27,581	30 123	2 542
39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49				
50				

220. INTEREST ON INCOME BONDS

1. Give particulars concerning interest payable, accrued, paid, and accumulated and unpaid on the securities having contingent interest provisions classified as (1) Mortgage Bonds, (2) Collateral Trust Bonds, and (3) Unsecured Bonds (Debentures), in schedule 218, "Funded Debt and Other Obligations."

2. In columns (a), (b), and (c) state the name, amount, and nominal rate of interest shown in columns (a), (v), and (d), respectively, in schedule 218, for each security of the kind indicated. List the names of such securities in the same order as in schedule 218.

3. In column (d) show the amount of interest payable for the year at the nominal rate, if earned, on all of the bonds outstanding at the close of the year plus those retired during the year.

4. In column (e) show the amount of interest charged to the income account for the year.

5. In column (f) show the difference between columns (d) and (e).

6. In columns (h), (i), and (j) show the amounts of interest actually paid during the year, segregated in columns (h) and (i) between payments applicable to the current year's accruals, and those applicable to past accruals.

7. In column (k) enter the maximum accumulation of unpaid interest as provided for in the bonds.

8. In column (l) show the sum of unearned interest accumulated under the provisions of the security plus the earned interest unpaid at the close of the year.

9. In the second section of this schedule show the particulars of the several items on the same line and in the same order as in the first section.

(Dollars in thousands)

Line No.	Name of issue (from schedule 218) (a)	Amount actually outstanding (from schedule 218) (b)	Nominal rate of interest (from schedule 218) (c)	AMOUNT OF INTEREST	
				Maximum amount payable, if earned (d)	Amount actually payable under contingent interest provisions, charged to income for the year (e)
1		\$		\$	\$
2					
3	None				
4					
5					
6					
7					
8					
9					
10					

AMOUNT OF INTEREST—Continued

Line No.	DIFFERENCE BETWEEN MAXIMUM PAYABLE IF EARNED AND AMOUNT ACTUALLY PAYABLE		TOTAL PAID WITHIN YEAR			Maximum period or percentage, for which cumulative, if any (k)	Total accumulated unearned interest plus earned interest unpaid at the close of year (l)
	Current year (f)	All years to date (g)	On account of current year (h)	On account of prior years (i)	Total (j)		
1	\$	\$	\$	\$	\$		\$
2							
3							
4							
5							
6							
7							
8							
9							
10							

222. AMOUNTS PAYABLE TO AFFILIATED COMPANIES

Give full particulars of 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 amounts are evidenced by notes, each note should be separately shown in column (a). Entries in columns (c) and

(f) should include interest accruals and interest payments on debt retired during the year, even though no portion of the debt remained outstanding at the close of the year. Show, also, in a footnote, particulars of interest charged to cost of property.

(Dollars in thousands)

Line No.	Name of creditor company (a)	Rate of interest (b)	Balance at beginning of year (c)	Balance at close of year (d)	Interest accrued during year (e)	Interest paid during year (f)
		% \$	\$	\$	\$	\$
1	Open Accounts Not Subject to Current Settlement:					
2	Eastern Real Estate (1)					
3	Ironton Railroad Co.		66	80		
4	Port Reading R.R. Co.		774	689		
5	Port Reading-Property					
6	Taxes		204			
7	Wilmington & Northern					
8	Railroad Co.			135		
9						
10	TOTAL		1 044	904	None	None

NOTES AND REMARKS

(1) Less than \$1,000.00.

223. ITEMS IN SELECTED CURRENT LIABILITY ACCOUNTS

Give description and particulars for each item or class of items of like description in accounts Nos. 751, "Loans and notes payable"; 759, "Accrued accounts payable"; and 763, "Other current liabilities," at the close of the year. Show character of loans and notes, with name of creditor (or class of creditors), dates of issue and maturity, and appropriate description for each class of accrued accounts payable and for the other current liabilities. Show the three largest items regardless of the dollar amount and all other items (or the aggregate of a class of items of like description) amounting to \$250,000 or more. Each item or class of items

of like description amounting to less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000." The entries for each account shall be listed and the account number and the total for each account shall be shown corresponding to the amounts in Schedule 200L. In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

(Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Amount (c)
			\$
1	759	Expenses Accrued Pending Receipt of Bills	2 139
2		Vacation Earned To Be Paid in 1974	5 210
3		Rents on Leased Equipment	1 146
4		Accrued Overcharge Claims	308
5		Accrued Loss & Damage Claims	284
6		Estimated Accrued Payroll	3 536
7		Estimated Bills Payable	695
8		Traffic & Car Service-Freight	5 360
9		Switching Claims	276
10		Accrued Personal Injury Claims	1 525
11		Traffic & Car Service-Suspense-Per Diem & Mileage Rentals	667
12		Maintenance of Equipment Derailment Expense	328
13		Other Items Each Less Than \$250,000	623
14			
15		Total Account No. 759	22 097
16			
17	763	Prepaid-Local and Interline Forwarded Traffic	4 883
18		Lease Purchase (1) 50-Ton Capacity Crane	20
19		Lease Purchase (2) Prime Movers	13
20		Other Items Each Less Than \$250,000	12
21			
22		Total Account No. 763	4 928
23			
24			
25			
26			
27			
28			
29			
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READING CO.

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Continued

224. FEDERAL INCOME AND OTHER TAXES ACCRUED

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

Line No.	Kind of tax (a)	Previous years (b)	Current year (c)	Balance at close of year (d)
		\$	\$	\$
1	Federal income taxes _____ Total (account 760)			
2	Railway property State and local taxes (532) _____	15	4	19
3	Old-age retirement (532) _____	642	507	1 149
4	Unemployment insurance (532) _____	324		324
5	Miscellaneous operating property (535) _____	1		1
6	Miscellaneous tax accruals (544) _____			
7	All other taxes _____			
8	Total (account 761)	982	511	1 493

NOTES AND REMARKS:

225. ITEMS IN SELECTED RESERVE AND OTHER LIABILITY ACCOUNTS

Give description and particulars for each item or class of items of like description in accounts Nos. 771, "Pension and welfare reserves"; 772, "Insurance reserves"; 774, "Casualty and other reserves"; 782, "Other liabilities"; and 784, "Other deferred credits," at the close of the year. Show creditor (or class of creditors) for deferred liabilities, and appropriate description of each class of operating reserve and for items of deferred credits. Show the three largest items regardless of the dollar amount and all other items (or the aggregate of a class of items of like description) amounting to \$250,000 or more. Each item or class of items

of like description amounting to less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000." The entries for each account shall be listed and the account number and the total for each account shall be shown corresponding to the amounts in Schedule 200L. In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

(Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Amount (c)
1	774	Personal Injury Claims in Suspense	\$ 3 481
2		Incentive Per Diem	313
3		Reserve for Hurricane "Agnes" Damage - 1972	430
4			
5		Total Account No. 774	4 224
6			
7	782	Siding Refunds Due Individuals & Companies	1 024
8		North Pennsylvania Railroad Equipment Acquired May 14, 1879	649
9		Interest on Trustee Obligation - 57 Locomotives	946
10		Pennsylvania-Reading Seashore Lines-Advances in Suspense	4 878
11		Accrued Rents on Leased Equipment	1 768
12		Other Items Each Less Than \$250,000	649
13			
14		Pre-Bankruptcy Items	
15		Traffic and Car Service	5 410
16		Leased Line Rentals	2 801
17		Accrued Taxes Plus Interest	9 676
18		Port Reading Railroad-Taxes and Interest	253
19		Personal Injury Claims	567
20		Taxes Due or Collected from Lessees	606
21		Various Accounts Payable for Material, Services, Etc.	3 024
22			
23		Total Account No. 782	32 251
24			
25	784	Deposits Account Sale of Real Estate	430
26		Deferred Credits Account Damage to Reading Company Property	274
27		Deferred Revenue-Port Reading Power Plant	124
28		Other Items Each Less Than \$250,000	464
29			
30		Total Account No. 784	1 302
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			

NOTES AND REMARKS

Note applicable to Schedule 228 - Authorized by the Stockholders of Reading Company on December 18, 1896. Pursuant to the decree of the U.S. District Court of the Eastern District of Pennsylvania entered June 28, 1923 in the Reading segregation case and to the agreement of merger dated October 1, 1923 between Reading Company, Philadelphia and Reading Railway Company, et al, the Capital Stock of Reading Company remained undisturbed and unchanged. The agreement of Merger was approved by the Public Service Commission of Pennsylvania, December 18, 1923.

228. CAPITAL STOCK

Give particulars of the various issues of capital stock of the respondent, distinguishing separate issues of any general class, if different in any respect.

In the second section list particulars of the various issues on the same lines and in the same order as in the first section.

Identify the entries in columns (m) to (s), inclusive, in a manner which will indicate whether par value or the number of shares is shown.

In stating the date of an authorization the date of the latest assent or ratification necessary to its validity should be shown; e.g., in case an authorization is required to be ratified by stockholders after action by the board of directors, but is not required to be approved by any State or other governmental board or officer, give the date of approval by stockholders; if the assent of

a State railroad commission or other public board or officer is necessary, give the date of such assent, or if subsequent to such assent notice has to be filed with a secretary of state or other public officer and a tax or other fee has to be paid as a condition precedent to the validity of the issue, give the date of such payment. In case some condition precedent has to be complied with after the approval and ratification of the stockholders has been obtained, state, in a footnote, the particulars of such condition and of the respondent's compliance therewith.

For the purposes of this report, capital stock and other securities are considered to be *nominally issued* when certificates are signed and sealed and placed with the proper officer for sale and delivery or are pledged or otherwise placed in some special fund of the respondent. They are considered to be *actually is-*

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

Column (d) refers to the initial preference dividend payable before any common dividend; columns (k) and (l) to participations in excess of initial preference dividend; at a specified percentage or amount (nonpar stock) (column (k)) or a percentage or proportion of the profits (column (l)).

(Dollars in thousands)

Line No.	Class of stock	Date issue was authorized	Par value per share (if non-par, so state)	PREFERRED STOCK									
				Dividend rate specified in contract	Total amount of accumulated dividends	Cumulative		Noncumulative ("Yes" or "No")	Other Provisions of Contract				
						To extent earned ("Yes" or "No")	Fixed \$ rate or percent specified by contract		Convertible ("Yes" or "No")	Callable or redeemable ("Yes" or "No")	Participating Dividends		
											Fixed amount or percent (Specify)	Fixed ratio with common (Specify)	
	(a)	(b)	(c)	(d)	(e)		(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	Common	See Note on Page 58	\$ 50	XXXXXX	\$ XXX	XXX	XXXXXX	XXXXXXXX	XXXXXX	XXXXXX	XXXXXXXX	XXXXXX	XXXXXX
2				XXXXXX	XXX	XXX	XXXXXX	XXXXXXXX	XXXXXX	XXXXXX	XXXXXXXX	XXXXXX	XXXXXX
3				XXXXXX	XXX	XXX	XXXXXX	XXXXXXXX	XXXXXX	XXXXXX	XXXXXXXX	XXXXXX	XXXXXX
4				XXXXXX	XXX	XXX	XXXXXX	XXXXXXXX	XXXXXX	XXXXXX	XXXXXXXX	XXXXXX	XXXXXX
5	Preferred First		50	4%	None				Yes	No	Yes	See Footnote	
6	Preferred Second		50	4%	None				Yes	No	Yes	See Footnote	
7													
8	Debenture												
9	Receipts outstanding for installments paid*												
10	TOTAL	XXXX	XXXX	XXXXXX	None		XXXXXX	XXXXXXXX	XXXXXX	XXXXXX	XXXXXXXX	XXXXXX	XXXXXX

Line No.	PAR VALUE OF PAR-VALUE STOCK OR NUMBER OF SHARES OF NONPAR STOCK										STOCK ACTUALLY OUTSTANDING AT CLOSE OF YEAR			
	Authorized	Authenticated	Nominally Issued and				Actually issued	Reacquired and		Number of shares	Par value of par-value stock	Book value of stock without par value		
			Held in special funds or in treasury or pledged (Identify pledged securities by symbol "P")	Canceled				Canceled	Held in special funds or in treasury or pledged (Identify pledged securities by symbol "P")					
	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	
1	70 000	70 000			69 989			11	1 399 782	\$ 69 989	\$			
2														
3														
4														
5	28 000	28 000			27 991			9	559 823	27 991				
6	42 000	42 000			41 971			29	839 412	41 971				
7														
8	Note: As to Dividends, the First and Second Preferred Stocks are Limited to 4% Per Annum. In Liquidation, the First and Second Preferred Stocks Would Share Pro Rata with the Common Stock in a Distribution of the Company's Assets													
9														
10	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	2 799 017	139 951			None	

*State the class of capital stock covered by the receipts.

§ If Allowed by Law.

229. CAPITAL STOCK CHANGES DURING THE YEAR

Give full particulars of stocks actually or nominally issued (either original issues or reissues) and of stocks reacquired or canceled during the year.

In the second section of the schedule show the particulars of the several issues on the same lines and in the same order as in the first section.

In column (c) state whether issued for construction of new properties, for additions and betterments, for purchase of railroad or other property, for conversion, for acquisition of securities, for reorganization, or for other corporate purposes. If an issue of securities was authorized for more than one purpose, state amount applicable to each purpose. Also give the number and date of the authorization by the public authority

under whose control such issue was made, naming such authority. In column (e) include as cash all money, checks, drafts, bills of exchange and other commercial paper payable at par on demand. For nominally issued stock, show returns in columns (a), (b), (c), and (d) only. For each class of stock actually issued, the sum of the entries in columns (e), (f), and (h), plus discounts or less premiums in column (g), should equal the total par value or the book value represented by the total number of shares reported in column (d).

Particulars concerning the reacquirement of stock that was actually outstanding should be given in columns (a), (i), and (j).
(Dollars in thousands)

Line No.	Class of stock (a)	STOCKS ISSUED DURING YEAR					
		Date of issue (b)	Purpose of the issue and authority (c)	Par value (for nonpar stock show the number of shares) (d)		Net proceeds received for issue (cash or its equivalent) (e)	
1				\$		\$	
2							
3							
4							
5							
6			None				
7							
8							
9							
10							
11							
12							
13							
14							
15							
Total							

Line No.	STOCKS ISSUED DURING YEAR—Concluded			STOCKS REACQUIRED DURING YEAR		Remarks (k)
	Cash value of other property acquired or services received as consideration for issue (f)	Net total discounts (if black) or premiums (if red). Excludes entries in column (h) (g)	Expense of issuing capital stock (h)	Par value (For nonpar stock show the number of shares) (i)	Purchase price (j)	
1	\$	\$	\$	\$	\$	
2						
3						
4						
5						
6						
7				None		
8						
9						
10						
11						
12						
13						
14						
15						

230. STOCK LIABILITY FOR CONVERSION OF SECURITIES OF OTHER COMPANIES

If at the close of the year respondent was subject to any liability to issue its own capital stock in exchange for outstanding securities of constituent of other companies, give full particulars thereof hereunder, includ-

ing names of parties to contracts and abstracts of terms of contracts whereunder such liability exists.

None

231. CAPITAL SURPLUS

Give an analysis in the form called for below of capital surplus accounts. In column (a) give a brief description of the item added or deducted and in column (b) insert the contra account number to which the

amount stated in column (c), (d) or (e) was charged or credited. (Dollars in thousands)

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)	
1	Balance at beginning of year _____	x x x	\$	None	\$	None	\$	794
	Additions during the year (describe):							
2								
3								
4								
5								
6	Total additions during the year _____	x x x		None		None		None
	Deductions during the year (describe):							
7								
8								
9								
10	Total deductions _____	x x x		None		None		None
11	Balance at close of year _____	x x x						794

232. RETAINED INCOME—APPROPRIATED

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

Line No.	Class of appropriation (a)	Credits during year (b)	Debits during year (c)	Balance at close of year (d)
		\$	\$	\$
1	Additions to property through retained income _____			
2	Funded debt retired through retained income _____			
3	Sinking fund reserves _____			
4	Incentive per diem funds _____			
5	Miscellaneous fund reserves _____			
6	Retained income—Appropriated not specifically invested _____			
	Other appropriations (specify):			
7	None			
8				
9				
10				
11				
12				
13				
14				
15				
16	TOTAL			

233 CONTINGENT ASSETS AND LIABILITIES

1. Give particulars with respect to contingent assets and liabilities at the close of the year, in accordance with Instruction 6-6 in the Uniform System of Accounts for Railroad Companies, that are not reflected in the accounts of the respondent. Show the three largest items regardless of the dollar amount and all other items amounting to \$250,000, or more. If an actual monetary amount is not known and an estimate of the amount of any item involved is not feasible, disclosure should be made describing the contingency, and explaining why an estimate is not determinable.

Examples of contingent liabilities are items which may become obligations as a result of pending or threatened litigation, assessments or possible assessments of additional taxes and agreements or obligations to repurchase securities or property.

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

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

(Dollars in thousands)

Line No	Item (a)	Amount (b)
	CONTINGENT ASSETS	\$
1		
2	In January 1974 the I.C.C. ruled that certain divisions of revenue	
3	between the Company and the Central Railroad Company of New Jersey (CNJ)	
4	should be reestablished for traffic moving between Allentown, Pa., and	
5	Phillipsburgh, N.J., retroactive to August 1972. The C.N.J. has appealed	
6	this ruling. Should the C.N.J. appeal be denied the Company would be	
7	entitled to receive from C.N.J. approximately \$800,000 of revenue for the	
8	period August 1972 to December 31, 1973.	800
9		
10	CONTINGENT LIABILITIES	
11		
12	Under an agreement dated November 23, 1932, the Company and Penn	
13	Central Transportation Company guarantee, jointly and severally, the pay-	
14	ment by Pennsylvania-Reading Seashore Lines of the rental and all other	
15	amounts due under the lease of the West Jersey and Seashore Railroad, and	
16	agree to provide from time to time such amounts as may be required by	
17	Pennsylvania-Reading Seashore Lines for operating expenses, taxes, fixed	
18	or other charges. As between themselves the above obligations are to be	
19	divided between the Company and Penn Central Transportation Company in	
20	proportion to their stock ownership, i.e., the Company one-third; Penn	
21	Central Transportation Company two-thirds.	
22		
23	The Company is obligated under equipment lease agreements which	
24	expire more than three years after December 31, 1973 with aggregate annual	
25	rentals ranging from approximately \$8,127,443 during 1974 to approximately	
26	\$162,996 during year 1989.	
27		
28	The actuarial liability of the fund that would be required under the	
29	Company's Supplemental Pension Plan in order for the Plan to be deemed	
30	fully funded, as of December 31, 1972.	11 301
31	The book value of the assets held by the First Pennsylvania Company,	
32	Trustee of the Pension Plan, amounts to \$4,160,784, as of December 31, 1972.	
33		
34	Suit was instituted against the Company in 1971 to recover damages	
35	arising from flood damage in Chester, Pennsylvania, allegedly caused by a	
36	railroad bridge which crosses Chester Creek backing up flood waters.*	
37		
38	The Company is a defendant in a suit filed in September 1971 by REA	
39	Express, Inc. against numerous railroads and other defendants seeking	
40	treble damages alleging violations of the Clayton Act and the Interstate	
41	Commerce Act.*	
42		
43	* Since, in the opinion of management, these suits have no merit	
44	an estimate has not been assigned.	
45		
46		
47		

300. 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.

2. In column (a) show against the appropriate account the amount of income that is offset by deductions in other income accounts of respondent so far as they relate to companies the operations of which are covered by this operating report, the amount of such deductions or dispositions to be also shown against appropriate accounts. For example, road (A) operates road (B) under

lease for a rental of \$1,000,000, but road (A) owns 90 percent of the stock of road (B) on which it receives \$250,000 in dividends. The entries in column (d) should be: Account No. 513, "Dividend income," \$250,000; Account No. 542, "Rent for leased roads and equipment," \$250,000. Again, if road (C) has issued its own securities to acquire a part or all of the securities of road (D), a separately operated carrier, no entries should be made in column (d) by road (C) even though dividends or interest be received on such securities held by road (C). But if road (D) is a

Line No.	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Offsetting debits and credits for current year (d)
	ORDINARY ITEMS			
	OPERATING INCOME			
	Railway Operating Income			
1	(501) Railway operating revenues (p. 69)	125 813	111 150	
2	(531) Railway operating expenses (p. 76)	109 734	102 756	
3	Net revenue from railway operations	16 079	8 394	
4	(532) Railway tax accruals (p. 82)	13 042	10 444	
5	Railway operating income	3 037	(2 050)	
	Rent Income			
6	(503) Hire of freight cars and highway revenue equipment— Credit balance (p. 88)			
7	(504) Rent from locomotives (p. 89)	66	109	
8	(505) Rent from passenger-train cars (p. 89)	19	19	
9	(506) Rent from floating equipment	12	25	
10	(507) Rent from work equipment	15	4	
11	(508) Joint facility rent income	69	35	
12	Total rent income	181	192	
	Rents Payable			
13	(536) Hire of freight cars and highway revenue equipment— Debit balance (p. 88)	9 423	8 020	
14	(537) Rent for locomotives (p. 89)	1 247	1 028	
15	(538) Rent for passenger-train cars (p. 89)	684	693	
16	(539) Rent for floating equipment	95	32	
17	(540) Rent for work equipment			
18	(541) Joint facility rents	446	495	
19	Total rents payable	11 895	10 268	
20	Net rents (lines 12, 19)	(11 714)	10 076	
21	Net railway operating income (lines 5, 20)	(8 677)	(12 126)	
	Other Income			
22	(502) Revenues from miscellaneous operations (p. 45)	152	141	
23	(509) Income from lease of road and equipment (p. 86)			
24	(510) Miscellaneous rent income (p. 86)	1 125	1 022	
25	(511) Income from nonoperating property (p. 45)	213	211	
26	(512) Separately operated properties—Profit (p. 87)	22	14	
27	(513) Dividend income	41	41	8
28	(514) Interest income	576	326	86
29	(516) Income from sinking and other reserve funds	311	88	7
30	(517) Release of premiums on funded debt	4	4	
31	(518) Contributions from other companies			
32	(519) Miscellaneous income (p. 92)	1 536	1 214	58
33	Total other income	3 980	3 061	159
34	Total income (lines 21, 33)	(4 697)	(9 065)	159
	Miscellaneous Deductions From Income			
35	(534) Expenses of miscellaneous operations (p. 45)	132	131	
36	(535) Taxes on miscellaneous operating property (p. 45)	35	34	
37	(543) Miscellaneous rents (p. 91)	21	20	
38	(544) Miscellaneous tax accruals (p. 45)	141	229	
39	(545) Separately operated properties—Loss (p. 87)	1 535	2 043	
40	(549) Maintenance of investment organization			
41	(550) Income transferred to other companies			
42	(551) Miscellaneous income charges (p. 92)	596	617	
43	Total miscellaneous deductions	2 460	3 074	
44	Income available for fixed charges (lines 34, 43)	(7 157)	(12 139)	159

300. INCOME ACCOUNT FOR THE YEAR—Continued

"proprietary" company for which no separate operating report is rendered, appropriate entries in column (d) should be made by road (C). If a leased road is assigned to another company for operation, the rent paid should be offset by the rent received. The examples indicated should not be taken to exclude others of a similar nature.

3. Returns for the year reported on lines 1 to 21, inclusive, should be analyzed in columns (e) to (k) in accordance with the Commission's rules governing the separation of operating expenses

between freight and passenger service; railroads.

4. Any unusual accruals involving substantial amounts included in column (b) on lines 6 to 53, inclusive, should be fully explained in a footnote.

5. All contra entries hereunder should be indicated in parenthesis.
(Dollars in thousands)

RAIL-LINE, INCLUDING WATER TRANSFERS														Line No.
Related solely to freight service (e)		Apportioned to freight service (f)		Total freight service (g)		Related solely to passenger and allied services (h)		Apportioned to passenger and allied services (i)		Total passenger service (j)		Other items not related to either freight or to passenger and allied services (k)		
\$		\$		\$		\$		\$		\$		\$		
108	190			108	190	17	516			17	516		107	1
65	464	26	022	91	486	13	760	4	331	18	096		152	2
X X	X X	X X	X X	16	704	X X	X X	X X	X X	(580)			(45)	3
	340	10	590	10	930	None		2	094	2	094		18	4
X X	X X	X X	X X	5	774	X X	X X	X X	X X	(2	674)		(63)	5
														6
	66				66									7
						19				19				8
	12				12									9
	15				15									10
	69				69									11
X X	X X	X X	X X		162	X X	X X	X X	X X		19			12
9	423			9	423									13
1	247			1	247									14
						684				684				15
	95				95									16
														17
	444				444	2				2				18
X X	X X	X X	X X	11	209	X X	X X	X X	X X	686				19
X X	X X	X X	X X	(11	047)	X X	X X	X X	X X	(667)				20
X X	X X	X X	X X	(5	273)	X X	X X	X X	X X	(3	341)		(63)	21

If this report is made for a system, list hereunder the names of all companies included in the system returns:

300. INCOME ACCOUNT FOR THE YEAR—Continued

Line No.	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Offsetting debits and credits for current year (d)
	Fixed Charges	\$	\$	\$
45	(542) Rent for leased roads and equipment (p. 90)	1 546	1 592	159
	(546) Interest on funded debt:			
46	(a) Fixed interest not in default	1 001	733	
47	(b) Interest in default	2 968	3 739	
48	(547) Interest on unfunded debt	14	16	
49	(548) Amortization of discount on funded debt	16	15	
50	Total fixed charges	5 545	6 095	159
51	Income after fixed charges (lines 44, 50)	(12 702)	(18 234)	None
	Other Deductions			
	(546) Interest on funded debt:			
52	(c) Contingent interest			
53	Ordinary income (lines 51, 52)	(12 702)	(18 234)	None
	EXTRAORDINARY AND PRIOR PERIOD ITEMS			
54	(570) Extraordinary items - Net Credit (Debit) (p. 92)		(1 849)	
55	(580) Prior period items - Net Credit (Debit) (p. 92)			
56	(590) Federal income taxes on extraordinary and prior period items - Debit (Credit) (p. 92)			
57	Total extraordinary and prior period items - Credit (Debit)			
58	Net income transferred to Retained Income - Unappropriated (lines 53, 57)	(12 702)	(20 083)	None

NOTE.—See page 67 for explanatory notes, which are an integral part of the Income Account for the Year.

NOTES AND REMARKS

Account No. 536 includes \$313,000 for incentive per diem for service months May to August 1973.

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 Schedule 350, under Section C pertaining to analysis of Federal income taxes. 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 in Schedule 396, page 92.

305. RETAINED INCOME—UNAPPROPRIATED

1. Show hereunder the items of the Retained Income Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for 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.
(Dollars in thousands)

Line No.	Item (a)	Amount (b)		Remarks (c)
	CREDITS	\$		
1	(602) Credit balance transferred from Income (p. 66)			
2	(606) Other credits to retained income			Net of Federal income taxes - \$
3	(622) Appropriations released			
4	Total			
	DEBITS			
5	(612) Debit balance transferred from Income (p. 66)	12	702	
6	(616) Other debits to retained income	2	000	Net of Federal income taxes - \$ None
7	(620) Appropriations for sinking and other reserve funds			
8	(621) Appropriations for other purposes			
9	(623) Dividends (p. 68)			
10	Total	14	702	
11	Net increase during year*	(14)	702	
12	Balance at beginning of year (p. 11)*	3	757	
13	Balance at end of year (carried to p. 11)*	(10)	945	

* Amount in parentheses indicates debit balance.

Note—See p. 92, schedule 396, for analysis of Retained Income accounts.

306. 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 an 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. 305.

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)
1				\$	\$		
2							
3							
4							
5				None			
6							
7							
8							
9							
10							
11							
12							
13				Total			

310. RAILWAY OPERATING REVENUES

1. State the railway operating revenues of the respondent for the year classifying them in accordance with the Uniform System of Accounts for Railroad Companies and distribute the amounts among the classes of service as indicated. In the absence of records separating revenues between freight and passenger trains, the distribution should be estimated on the basis of the best data available.

2. Assign rail-line revenues, including revenues from water transfers and highway motor vehicle operations, to "Freight service" or to "Passenger and allied services" according to the type of train (or other equipment) by which the traffic moved.

3. Incidental revenues should be assigned as provided for in the schedule.

4. Revenues which are not assignable to freight service or to passenger and allied services are includible in column (e) only in cases where the related operating expenses are reportable in column (i) of schedule No. 320. If the expenses are assigned to the classes of service mentioned, the revenues, likewise, should be distributed on an equitable basis.

5. Any unusual accruals involving substantial amounts included in column (b) should be fully explained in a footnote.
(Dollars in thousands)

Line No.	Class of railway operating revenues (a)	Amount of revenue for the year (b)		RAIL-LINE REVENUES, INCLUDING WATER TRANSFERS		Other revenues not assignable to freight or to passenger and allied services (e)		Remarks (f)
		\$		Assignable to freight service (c)	Assignable to passenger and allied services (d)	\$		
	Transportation—Rail-Line							
1	(101) Freight*	100	841	100	841			
2	(102) Passenger*	9	449		9	449	XX	XX
3	(103) Baggage		13			13	XX	XX
4	(104) Sleeping car						XX	XX
5	(105) Parlor and chair car						XX	XX
6	(106) Mail		17	17			XX	XX
7	(107) Express						XX	XX
8	(108) Other passenger-train*	7	641		7	641	XX	XX
9	(109) Milk						XX	XX
10	(110) Switching*	1	904	1	904		XX	XX
11	(113) Water transfers						XX	XX
12	Total rail-line transportation revenue	119	865	102	762	17	103	
	Incidental							
13	(131) Dining and buffet		23			23	XX	XX
14	(132) Hotel and restaurant							
15	(133) Station, train, and boat privileges		84			84		
16	(135) Storage—Freight		213	213				
17	(137) Demurrage	3	502	3	502		XX	XX
18	(138) Communication						XX	XX
19	(139) Grain elevator						XX	XX
20	(141) Power		107					107
21	(142) Rents of buildings and other property		504	198		306		
22	(143) Miscellaneous	1	413	1	413			
23	Total incidental operating revenue	5	846	5	326	413		107
	Joint Facility							
24	(151) Joint facility—Cr		102	102				
25	(152) Joint facility—Dr							
26	Total joint facility operating revenue		102		102			
27	Total railway operating revenue:	125	813	108	190	17	516	107
*Report hereunder the charges to these accounts representing: A. Payments made to others for— 1. Terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates: \$ 105 (a) Of the amount reported for item A.1, <u>None</u> % (to nearest whole number) represents payments for collection and delivery of LCL freight either in TOPC trailers or otherwise. The percentage reported is (check one): Actual () Estimated () 2. 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: \$ 3,268 3. Substitute highway motor service in lieu of line-haul rail service performed under tariffs published by rail carriers (does not include traffic moved on joint rail-motor rates): (a) Payments for transportation of persons: \$ None (b) Payments for transportation of freight shipments: \$ None †Governmental aid for providing passenger commuter or other passenger-train service included in account 108, as provided in item (d) of that account: \$ 7,600 NOTE.—Gross charges for protective services to perishable freight, without deduction for any proportion thereof credited to account No. 101, "Freight" (not required from switching and terminal companies): 33 1. Charges for service for the protection against heat: \$ 33 34 2. Charges for service for the protection against cold: \$ 2								

320. RAILWAY OPERATING EXPENSES

State the railway operating expenses on respondent's road for the year, classifying them in accordance with the Uniform System of Accounts for Railroad Companies, and analyzing them in accordance with the Commission's rules governing the separation of operating expenses between

freight and passenger service; railroads. The returns to accounts 202-221 should be classified as provided for by instructions pertaining to those accounts in the effective rules. The designations shown in column (a) for these accounts are defined as follows:

Line No.	Name of railway operating expense account		Amount of operating expenses for the year	
	(a)		(b)	
	Maintenance of Way and Structures		\$	
1	(201) Superintendence		1	341
2	(202) Roadway maintenance—Yard switching tracks			51
3	Roadway maintenance—Way switching tracks			6
4	Roadway maintenance—Running tracks			516
5	(206) Tunnels and subways—Yard switching tracks			-
6	Tunnels and subways—Way switching tracks			-
7	Tunnels and subways—Running tracks			17
8	(208) Bridges, trestles, and culverts—Yard switching tracks			-
9	Bridges, trestles, and culverts—Way switching tracks			-
10	Bridges, trestles, and culverts—Running tracks			211
11	(210) Elevated structures—Yard switching tracks			-
12	Elevated structures—Way switching tracks			-
13	Elevated structures—Running tracks			-
14	(212) Ties—Yard switching tracks			62
15	Ties—Way switching tracks	780		8
16	Ties—Running tracks			710
17	(214) Rails—Yard switching tracks			17
18	Rails—Way switching tracks	345		4
19	Rails—Running tracks			324
20	(216) Other track material—Yard switching tracks			17
21	Other track material—Way switching tracks			4
22	Other track material—Running tracks			323
23	(218) Ballast—Yard switching tracks			3
24	Ballast—Way switching tracks			1
25	Ballast—Running tracks			62
26	(220) Track laying and surfacing—Yard switching tracks			433
27	Track laying and surfacing—Way switching tracks			48
28	Track laying and surfacing—Running tracks		4	321
29	(221) Fences, snowsheds, and signs—Yard switching tracks			-
30	Fences, snowsheds, and signs—Way switching tracks			-
31	Fences, snowsheds, and signs—Running tracks			63
32	(227) Station and office buildings			784
33	(229) Roadway buildings			72
34	(231) Water stations			-
35	(233) Fuel stations			4
36	(235) Shops and engine houses			355
37	(237) Grain elevators			-
38	(239) Storage warehouses			-
39	(241) Wharves and docks			84
40	(243) Coal and ore wharves			500
41	(244) TOFC/COFC terminals			13
42	(247) Communication systems			337
43	(249) Signals and interlockers		1	421
44	(253) Power plants			34
45	(257) Power-transmission systems			303
46	(265) Miscellaneous structures			22
47	(266) Road property—Depreciation (p. 78)		2	363
48	(267) Retirements—Road (p. 78)			188
49	(269) Roadway machines			711

320. RAILWAY OPERATING EXPENSES—Continued

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

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

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

Any unusual accruals involving substantial amounts included in column (b) should be fully explained in a footnote.

(Dollars in thousands)

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS										Other expenses not related to either freight or to passenger and allied services (i)	Line No.
Expenses related solely to freight service (c)	Common expenses apportioned to freight service (d)	Total freight expense (e)	Related solely to passenger and allied services (f)	Common expenses apportioned to passenger and allied services (g)	Total passenger expense (h)						
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
109	1 041	1 150	-	191	191					1	
16	26	42	3	6	9					2	
2	3	5	-	1	1					3	
164	264	428	30	58	88					4	
-	-	-	-	-	-					5	
-	-	-	-	-	-					6	
11	5	16	-	1	1					7	
-	-	-	-	-	-					8	
-	-	-	-	-	-					9	
154	44	198	3	10	13					10	
-	-	-	-	-	-					11	
-	-	-	-	-	-					12	
-	-	-	-	-	-					13	
54	7	61	-	1	1					14	
7	1	8	-	-	-					15	
615	76	691	3	16	19					16	
7	8	15	-	2	2					17	
1	2	3	-	1	1					18	
119	164	283	-	41	41					19	
7	8	15	-	2	2					20	
1	2	3	-	1	1					21	
122	165	287	-	36	36					22	
3	-	3	-	-	-					23	
1	-	1	-	-	-					24	
59	-	59	3	-	3					25	
316	72	388	29	16	45					26	
35	8	43	3	2	5					27	
3 126	718	3 874	288	159	447					28	
-	-	-	-	-	-					29	
-	-	-	-	-	-					30	
24	25	49	9	5	14					31	
295	189	484	182	118	300					32	
36	24	60	9	3	12					33	
-	-	-	-	-	-					34	
1	3	4	-	-	-					35	
88	236	324	2	29	31					36	
-	-	-	-	-	-					37	
-	-	-	-	-	-					38	
84	-	84	-	-	-					39	
500	-	500	-	-	-					40	
13	-	13	-	-	-					41	
-	279	279	-	58	58					42	
585	535	1 120	212	89	301					43	
34	-	34	-	-	-					44	
58	26	84	157	62	219					45	
22	-	22	-	-	-					46	
337	1 577	1 914	75	374	449					47	
188	-	188	-	-	-					48	
-	642	642	-	69	69					49	

320. RAILWAY OPERATING EXPENSES—Continued

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)
Maintenance of Way and Structures—Continued		
50	(270) Dismantling retired road property	\$ 40
51	(271) Small tools and supplies	359
52	(272) Removing snow, ice, and sand	128
53	(273) Public improvements—Maintenance	221
54	(274) Injuries to persons	195
55	(275) Insurance	197
56	(276) Stationery and printing	21
57	(277) Employees' health and welfare benefits	623
58	(281) Right-of-way expenses	-
59	(282) Other expenses	4
60	(278) Maintaining joint tracks, yards, and other facilities—Dr	402
61	(279) Maintaining joint tracks, yards, and other facilities—Cr	1163
62	Total—All road property depreciation (account 266)	2 363
63	Total—All other maintenance of way and structure accounts	15 544
64	Total maintenance of way and structures	17 907
Maintenance of Equipment		
65	(301) Superintendence	1 287
66	(302) Shop machinery	273
67	(304) Power-plant machinery	232
68	(305) Shop and power-plant machinery—Depreciation (p. 80)	193
69	(306) Dismantling retired shop and power-plant machinery	-
70	(311) Locomotives—Repairs, Diesel locomotives—Yard	1 088
71	Locomotives—Repairs, Diesel locomotives—Other	3 267
72	Locomotives—Repairs, Other than Diesel—Yard	-
73	Locomotives—Repairs, Other than Diesel—Other	-
74	(314) Freight-train cars—Repairs*	6 194
75	(317) Passenger-train cars—Repairs	2 877
76	(318) Highway revenue equipment—Repairs	276
77	(323) Floating equipment—Repairs	30
78	(326) Work equipment—Repairs	152
79	(328) Miscellaneous equipment—Repairs	414
80	(329) Dismantling retired equipment	-
81	(330) Retirements—Equipment (p. 80)	(4)
82	(331) Equipment—Depreciation (p. 80)	4 512
83	(332) Injuries to persons	294
84	(333) Insurance	229
85	(334) Stationery and printing	48
86	(335) Employees' health and welfare benefits	969
87	(339) Other expenses	33
88	(336) Joint maintenance of equipment expenses—Dr	125
89	(337) Joint maintenance of equipment expenses—Cr	1512
90	Total—All equipment depreciation (accounts 305 and 331)	4 705
91	Total—All other maintenance of equipment accounts	17 723
92	Total maintenance of equipment	22 428

93 *Includes charges for work done by others of \$ 1,549

94 and credits for work charged to others in the amount of \$ 1,614

320. RAILWAY OPERATING EXPENSES—Continued

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS										
Expenses related solely to freight service (c)	Common expenses apportioned to freight service (d)	Total freight expense (e)	Related solely to passenger and allied services (f)	Common expenses apportioned to passenger and allied services (g)	Total passenger expense (h)	Other expenses not related to either freight or to passenger and allied services (i)				
\$	\$	\$	\$	\$	\$	\$				
39	1	40	-	-	-	-				
23	302	325	2	32	34	-				
92	30	122	2	4	6	-				
169	47	216	-	5	5	-				
191	(3)	188	7	-	7	-				
48	126	174	2	21	23	-				
-	18	18	-	3	3	-				
-	535	535	-	88	88	-				
-	-	-	-	-	-	-				
-	4	4	-	-	-	-				
400	-	400	2	-	2	-				
1167	-	1167	-	-	-	-				
337	1 577	1 914	75	374	449	-				
7 833	5 633	13 466	948	1 130	2 078	-				
8 170	7 210	15 380	1 023	1 504	2 527	-				
-	1 036	1 036	-	251	251	-				
14	199	213	5	55	60	-				
95	81	176	37	19	56	-				
5	146	151	-	42	42	-				
-	-	-	-	-	-	-				
-	1 084	1 084	-	4	4	-				
-	3 255	3 255	-	12	12	-				
-	-	-	-	-	-	-				
-	-	-	-	-	-	-				
6 184	-	6 184	-	-	-	-				
-	-	-	2 817	-	2 817	-				
276	-	276	-	-	-	-				
30	-	30	-	-	-	-				
69	70	139	-	13	13	-				
79	278	357	-	57	57	-				
-	-	-	-	-	-	-				
(4)	-	(4)	-	-	-	-				
2 513	1 797	4 310	161	41	202	-				
303	(4)	299	(4)	(1)	(5)	-				
63	135	198	-	31	31	-				
-	39	39	-	9	9	-				
-	794	794	-	175	175	-				
1	26	27	-	6	6	-				
125	-	125	-	-	-	-				
151	-	151	-	-	-	-				
2 518	1 943	4 461	161	83	244	-				
7 184	6 993	14 177	2 915	631	3 546	-				
9 702	8 936	18 638	3 076	714	3 790	-				

320. RAILWAY OPERATING EXPENSES—Continued

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)	
	Traffic	\$	
95	(351) Superintendence	1	488
96	(352) Outside agencies	1	049
97	(353) Advertising*		48
98	(354) Traffic associations		66
99	(355) Fast freight lines		-
100	(356) Industrial and immigration bureaus		45
101	(357) Insurance		6
102	(358) Stationery and printing		80
103	(359) Employees' health and welfare benefits		95
104	(360) Other expenses		1
105	Total traffic	2	878
	Transportation—Rail Line		
106	(371) Superintendence	2	670
107	(372) Dispatching trains		612
108	(373) Station employees	4	964
109	(374) Weighing, inspection, and demurrage bureaus		60
110	(375) Coal and ore wharves	1	705
111	(376) Station supplies and expenses		723
112	(377) Yardmasters and yard clerks	3	706
113	(378) Yard conductors and brakemen	6	104
114	(379) Yard switch and signal tenders		414
115	(380) Yard enginemen	3	899
116	(382) Yard switching fuel		501
117	(383) Yard switching power produced		-
118	(384) Yard switching power purchased		71
119	(388) Servicing yard locomotives		293
120	(389) Yard supplies and expenses		275
121	(392) Train enginemen	5	724
122	(394) Train fuel	2	367
123	(395) Train power produced		-
124	(396) Train power purchased	1	505
125	(400) Servicing train locomotives	1	288
126	(401) Trainmen	9	543
127	(402) Train supplies and expenses**	2	530
128	(403) Operating sleeping cars		-
129	(404) Signal and interlocker operation	1	177
130	(405) Crossing protection		364
131	(406) Drawbridge operation		50
132	(407) Communication system operation		233
133	(408) Operating floating equipment		275
134	(409) Employees' health and welfare benefits	1	969
135	(410) Stationery and printing		194
136	*Value of transportation issued in exchange for advertising		None
	**Includes gross charges and credits for heater and refrigerator service as follows:		
137	Freight train cars: Refrigerator-Charges		98
138	-Credits		33
139	Heater-Charges		-
140	-Credits		2
141	TOFC trailers: Refrigerator-Charges		16
142	-Credits		-
143	Heater-Charges		-
144	-Credits		-

320. RAILWAY OPERATING EXPENSES—Continued

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS											Line No.	
Expenses related solely to freight service (c)		Common expenses apportioned to freight service (d)		Total freight expense (e)	Related solely to passenger and allied services (f)		Common expenses apportioned to passenger and allied services (g)		Total passenger expense (h)	Other expenses not related to either freight or to passenger and allied services (i)		
\$		\$		\$	\$		\$		\$	\$		
1	238		-	1 238		250		-	250			95
1	049		-	1 049		-		-	-			96
	3		-	3		45		-	45			97
	66		-	66		-		-	-			98
	-		-	-		-		-	-			99
	45		-	45		-		-	-			100
	6		-	6		-		-	-			101
	60		-	60		20		-	20			102
	80		-	80		15		-	15			103
	1		-	1		-		-	-			104
2	548		-	2 548		330		-	330			105
1	233	1	125	2 358		54		258	312			106
	37		337	374		68		170	238			107
3	416		524	3 940		888		136	1 024			108
	60		-	60		-		-	-			109
1	705		-	1 705		-		-	-			110
	403		72	475		212		36	248			111
3	193		494	3 687		19		-	19			112
5	825		-	5 825		279		-	279			113
	284		31	315		99		-	99			114
3	715		-	3 715		184		-	184			115
	501		-	501		-		-	-			116
	-		-	-		-		-	-			117
	-		-	-		71		-	71			118
	293		-	293		-		-	-			119
	267		-	267		8		-	8			120
3	923		-	3 923		1 801		-	1 801			121
2	272		-	2 272		95		-	95			122
	-		-	-		-		-	-			123
	-		-	-		1 505		-	1 505			124
1	073		-	1 073		215		-	215			125
6	750		-	6 750		2 793		-	2 793			126
1	852		-	1 852		678		-	678			127
	-		-	-		-		-	-			128
	464		594	1 058		13		106	119			129
	264		85	349		-		15	15			130
	50		-	50		-		-	-			131
	81		126	207		-		26	26			132
	275		-	275		-		-	-			133
	53	1	558	1 611		-		358	358			134
	20		109	129		39		26	65			135

320. RAILWAY OPERATING EXPENSES—Continued

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)
	Transportation—Rail Line	\$
145	(411) Other expenses	142
146	(414) Insurance	341
147	(415) Clearing wrecks	517
148	(416) Damage to property	389
149	(417) Damage to livestock on right of way	-
150	(418) Loss and damage—Freight	786
151	(419) Loss and damage—Baggage	-
152	(420) Injuries to persons	1 563
153	(421) TOFC/COFC terminals	814
154	(422) Other highway transportation expenses	17
155	(390) Operating joint yards and terminals—Dr	858
156	(391) Operating joint yards and terminals—Cr	(188)
157	(412) Operating joint tracks and facilities—Dr	321
158	(413) Operating joint tracks and facilities—Cr	(112)
159	Total transportation—Rail line	58 664
	Miscellaneous Operations	
160	(441) Dining and buffet service	22
161	(442) Hotels and restaurants	-
162	(443) Grain elevators	-
163	(445) Producing power sold	152
164	(446) Other miscellaneous operations	-
165	(449) Employees' health and welfare benefits	2
166	(447) Operating joint miscellaneous facilities—Dr	-
167	(448) Operating joint miscellaneous facilities—Cr	-
168	Total miscellaneous operations	176
	General	
169	(451) Salaries and expenses of general officers	681
170	(452) Salaries and expenses of clerks and attendants	4 736
171	(453) General office supplies and expenses	301
172	(454) Law expenses	553
173	(455) Insurance	3
174	(456) Employees' health and welfare benefits	276
175	(457) Pensions	462
176	(458) Stationery and printing	200
177	(460) Other expenses*	442
178	(461) General joint facilities—Dr	27
179	(462) General joint facilities—Cr	-
180	Total general expenses	7 681
181	Grand total railway operating expenses	109 734
182	Operating ratio (ratio of operating expenses to operating revenues) percent. (Two decimal places required)	87.22 %
183	Amount of employee compensation † (applicable to the current year) chargeable to operating expenses	\$ 73 041

*Give description and amount of charges to account No. 460, "Other expenses," for severance payments made to employees. This includes payments made as a result of agreements with employee organizations and awards pursuant to decisions of arbitration boards or by specific orders of this Commission or by voluntary action on the part of respondent. This also includes severance payments in cases relating to mergers and situations involving reduction in employees because of abandonment or consolidation of facilities.

Description of payments

Amount

Guarantee Payments Account Consolidation
of Forces and Other Revision of Forces

\$ 239

\$ 239

†Includes "straight time paid for" in train and engine service, and "time actually worked and paid for at straight time rates" in other services; all overtime in train and engine service, and overtime paid for at punitive rates in other services; and "constructive allowances, including vacations and holidays" in train and engine service and "vacations, holidays, and other allowances" in other services. (Compensation chargeable to operating expenses applicable to prior years, which was paid or is payable under labor awards of the current year or for other reasons, should be shown in Schedule 5a1C and not included in this return.)

320. RAILWAY OPERATING EXPENSES—Concluded

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS											Line No.			
Expenses related solely to freight service (c)		Common expenses apportioned to freight service (d)		Total freight expense (e)		Related solely to passenger and allied services (f)		Common expenses apportioned to passenger and allied services (g)		Total passenger expense (h)		Other expenses not related to either freight or to passenger and allied services (i)		
\$		\$		\$		\$		\$		\$				
	24		53		77		53		12		65			145
	225		21		246		87		8		95			146
	507		-		507		10		-		10			147
	388		-		388		1		-		1			148
	-		-		-		-		-		-			149
	786		-		786		-		-		-			150
	-		-		-		-		-		-			151
1	460		(1)	1	459		104		-		104			152
	814		-		814		-		-		-			153
	17		-		17		-		-		-			154
	858		-		858		-		-		-			155
	(188)		-		(188)		-		-		-			156
	297		-		297		24		-		24			157
	(112)		-		(112)		-		-		-			158
43	085	5	128	48	213	9	300	1	151	10	451			159
	-		-		-		22		-		22			160
	-		-		-		-		-		-			161
	-		-		-		-		-		-			162
	-		-		-		-		-		-	152		163
	-		-		-		-		-		-			164
	-		-		-		2		-		2			165
	-		-		-		-		-		-			166
	-		-		-		-		-		-			167
	-		-		-		24		-		24	152		168
	2		565		567		-		114		114			169
1	689	2	528	4	217		8		511		519			170
	10		239		249		4		48		52			171
	-		460		460		-		93		93			172
	-		2		2		-		1		1			173
	-		229		229		-		47		47			174
	-		384		384		-		78		78			175
	4		163		167		-		33		33			176
	227		178		405		-		37		37			177
	27		-		27		-		-		-			178
	-		-		-		-		-		-			179
1	959	4	748	6	707		12		962		974			180
65	464	26	022	91	486	13	765	4	331	18	096	152		181

322. ROAD PROPERTY—DEPRECIATION

Give the particulars called for with respect to the amount charged to account 266, "Road property—Depreciation," for the year.

Line No.	Subaccount (Dollars in thousands) (a)	Amount of operating expenses for the year (b)	
		\$	
1	(1) Engineering		76
2	(2 1/2) Other right-of-way expenditures		1
3	(3) Grading		54
4	(5) Tunnels and subways		16
5	(6) Bridges, trestles, and culverts		436
6	(7) Elevated structures		-
7	(13) Fences, snowsheds, and signs		11
8	(16) Station and office buildings		270
9	(17) Roadway buildings		5
10	(18) Water stations		-
11	(19) Fuel stations		8
12	(20) Shops and enginehouses		177
13	(21) Grain elevators		
14	(22) Storage warehouses		
15	(23) Wharves and docks		33
16	(24) Coal and ore wharves		110
17	(25) TOPC/COPC terminals		12
18	(26) Communication systems		87
19	(27) Signals and interlockers		546
20	(29) Power plants		12
21	(31) Power-transmission systems		144
22	(35) Miscellaneous structures		11
23	(37) Roadway machines		262
24	(39) Public improvements—Construction		92
25	All other road accounts		
26	Total (account 266)		2 363

324. RETIREMENTS—ROAD

Give the particulars called for with respect to the amount included in account 267, "Retirements—Road," for the year.

Line No.	Subaccount (Dollars in thousands) (a)	Amount of operating expenses for the year (b)	
		\$	
1	(1) Engineering		5
2	(2 1/2) Other right-of-way expenditures		
3	(3) Grading		43
4	(5) Tunnels and subways		
5	(8) Ties		36
6	(9) Rails		23
7	(10) Other track material		1
8	(11) Ballast		5
9	(12) Track laying and surfacing		36
10	(38) Roadway small tools		(1)
11	(39) Public improvements—Construction		7
12	(43) Other expenditures—Road		
13	(76) Interest during construction		31
14	(77) Other expenditures—General		2
15	(80) Other elements of investment		
16	All other road accounts		
17	Total (account 267)		188

322. ROAD PROPERTY—DEPRECIATION

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS											Line No.
Expenses related solely to freight service	Common expenses apportioned to freight service	Total freight expense	Related solely to passenger and allied services	Common expenses apportioned to passenger and allied services	Total passenger expense	Other expenses not related to either freight or to passenger and allied services					
(c)	(d)	(e)	(f)	(g)	(h)	(i)					
\$		\$		\$		\$		\$			
6	54	60	3	13	16					1	
-	1	1	-	-	-					2	
4	39	43	2	9	11					3	
1	12	13	1	2	3					4	
36	311	347	15	74	89					5	
-	-	-	-	-	-					6	
1	8	9	-	2	2					7	
22	193	215	9	46	55					8	
-	4	4	-	1	1					9	
-	-	-	-	-	-					10	
1	5	6	-	2	2					11	
15	126	141	6	30	36					12	
-	-	-	-	-	-					13	
-	-	-	-	-	-					14	
33	-	33	-	-	-					15	
110	-	110	-	-	-					16	
12	-	12	-	-	-					17	
7	62	69	3	15	18					18	
45	390	435	19	92	111					19	
1	9	10	-	2	2					20	
12	103	115	5	24	29					21	
1	8	9	-	2	2					22	
22	187	209	9	41	53					23	
8	65	73	3	16	19					24	
										25	
337	1 577	1 914	75	374	449					26	

324. RETIREMENTS—ROAD

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS										Line No.
Expenses related solely to freight service	Common expenses apportioned to freight service	Total freight expense	Related solely to passenger and allied services	Common expenses apportioned to passenger and allied services	Total passenger expense	Other expenses not related to either freight or to passenger and allied services				
(c)	(d)	(e)	(f)	(g)	(h)	(i)				
\$		\$	\$	\$	\$	\$				
5		5							1	
									2	
43		43							3	
									4	
36		36							5	
23		23							6	
1		1							7	
5		5							8	
36		36							9	
(1)		(1)							10	
7		7							11	
									12	
31		31							13	
2		2							14	
									15	
									16	
188		188							17	

326. SHOP AND POWER-PLANT MACHINERY—DEPRECIATION

Give the particulars called for with respect to the amount charged to account 305, "Shop and power-plant machinery—Depreciation," for the year.

Line No.	Subaccount (a) (Dollars in thousands)	Amount of operating expenses for the year (b)	
		\$	
1	(44) Shop machinery _____		105
2	(45) Power-plant machinery _____		88
3	Total (account 305) _____		193

328. RETIREMENTS—EQUIPMENT

Give the particulars called for with respect to the amount included in account 330, "Retirements—Equipment," for the year.

Line No.	Subaccount (a) (Dollars in thousands)	Amount of operating expenses for the year (b)	
		\$	
1	(52) Locomotives _____		
2	(53) Freight-train cars _____		(4)
3	(54) Passenger-train cars _____		
4	(55) Highway revenue equipment _____		
5	(56) Floating equipment _____		
6	(57) Work equipment _____		
7	(58) Miscellaneous equipment _____		
8	(76) Interest during construction _____		
9	(77) Other expenditures—General _____		
10	(80) Other elements of investment _____		
11	Total (account 330) _____		(4)

330. EQUIPMENT—DEPRECIATION

Give the particulars called for with respect to the amount charged to account 331, "Equipment—Depreciation," for the year.

Line No.	Subaccount (a) (Dollars in thousands)	Amount of operating expenses for the year (b)	
		\$	
1	(52) Locomotives-Yard _____		231
2	(52) Locomotives-Other _____	1	405
3	(53) Freight-train cars _____	2	436
4	(54) Passenger-train cars _____		161
5	(55) Highway revenue equipment _____		47
6	(56) Floating equipment _____		30
7	(57) Work equipment _____		47
8	(58) Miscellaneous equipment _____		155
9	Total (account 331) _____	4	512

326. SHOP AND POWER-PLANT MACHINERY—DEPRECIATION—Continued

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS										Line No.				
Expenses related solely to freight service (c)		Common expenses apportioned to freight service (d)		Total freight expense (e)		Related solely to passenger and allied services (f)		Common expenses apportioned to passenger and allied services (g)			Total passenger expense (h)		Other expenses not related to either freight or to passenger and allied services (i)	
\$		\$		\$		\$		\$		\$		\$		
3		79		82		-		23		23				1
2		67		69		-		19		19				2
5		146		151		-		42		42				3

328. RETIREMENTS-EQUIPMENT—Continued

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS												Line No.		
Expenses related solely to freight service (c)		Common expenses apportioned to freight service (d)		Total freight expense (e)		Related solely to passenger and allied services (f)		Common expenses apportioned to passenger and allied services (g)		Total passenger expense (h)			Other expenses not related to either freight or to passenger and allied services (i)	
\$		\$		\$		\$		\$		\$		\$		
	(4)				(4)									1
														2
														3
														4
														5
														6
														7
														8
														9
	(4)				(4)									10
														11

330. EQUIPMENT-DEPRECIATION—Continued

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS												Line No.		
Expenses related solely to freight service (c)		Common expenses apportioned to freight service (d)		Total freight expense (e)		Related solely to passenger and allied services (f)		Common expenses apportioned to passenger and allied services (g)		Total passenger expense (h)			Other expenses not related to either freight or to passenger and allied services (i)	
\$		\$		\$		\$		\$		\$		\$		
	-		230		230		-		1		1			1
	-		1 400		1 400		-		5		5			2
2	436		-		2 436		-		-		-			3
	-		-		-		161		-		161			4
	47		-		47		-		-		-			5
	30		-		30		-		-		-			6
	-		38		38		-		9		9			7
	-		129		129		-		26		26			8
2	513		1 797		4 310		161		41		202			9

350. RAILWAY TAX ACCRUALS

1. In Sections A and B show the particulars called for with respect to net accruals of taxes on railroad property, and U.S. Government taxes charged to account 532, "Railway tax accruals" of the respondent's In-

come account for the year.

2. In Section C show an analysis and distribution of Federal income taxes. (Dollars in thousands)

A. Other than U.S. Government Taxes

Line No.	State (a)	Amount (b)	State (a)	Amount (b)	Line No.
		\$		\$	
1	Alabama		South Dakota		41
2	Alaska		Tennessee		42
3	Arizona		Texas		43
4	Arkansas		Utah		44
5	California		Vermont		45
6	Colorado		Virginia		46
7	Connecticut		Washington		47
8	Delaware	13	West Virginia		48
9	Florida		Wisconsin		49
10	Georgia		Wyoming		50
11	Hawaii		District of Columbia		51
12	Idaho		Other States Less Than \$1,000		
13	Illinois		Each	2	
14	Indiana		Other		
15	Iowa		Canada	2	52
16	Kansas		Mexico		53
17	Kentucky		Puerto Rico		54
18	Louisiana		Total—Other than U.S. Government Taxes	3 729	55
19	Maine				56
20	Maryland		B. U.S. Government Taxes		
21	Massachusetts		Kind of tax (a)	Amount (b)	
22	Michigan			\$	
23	Minnesota		Income taxes:		
24	Mississippi		Normal tax and surtax	340	57
25	Missouri		Excess profits	-	58
26	Montana		Total—Income taxes	340	59
27	Nebraska		Old-age retirement*	7 908	60
28	Nevada		Unemployment insurance	1 063	61
29	New Hampshire		All other United States Taxes	2	62
30	New Jersey	209	Total—U.S. Government taxes	9 313	63
31	New Mexico		Grand Total—Railway Tax Accruals (account 532)	13 042	64
32	New York				
33	North Carolina				
34	North Dakota				
35	Ohio				
36	Oklahoma		*Includes taxes for hospital insurance (Medicare) and supplemental annuities as follows:		
37	Oregon				
38	Pennsylvania	3 503	Hospital insurance	\$ 603	65
39	Rhode Island		Supplemental annuities	953	66
40	South Carolina				

350. RAILWAY TAX ACCRUALS—Continued**C. Analysis of Federal Income Taxes**

Line No.	Item (a)	Amount (b)	Item (a)	Amount (b)	Line No.
67	Provision for income taxes based on taxable net income recorded in the accounts for the year	\$ 340		\$	73
68	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	None			74
69	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	None	Net applicable to the current year	340	75
70	Net decrease (or increase) because of investment tax credit authorized in Revenue Act of 1962	None	Adjustments applicable to previous years (net-debit or credit), except carry-backs and carry-overs	None	76
71	Net decrease (or increase) because of accelerated amortization of certain rolling stock under section 184 of the Internal Revenue Code and basis used for book depreciation	None	Adjustments for carry-backs	None	77
72	Net decrease (or increase) because of amortization of certain rights-of-way investment under section 185 of the Internal Revenue Code	None	Adjustments for carry-overs	None	78
			Total	340	79
			Distribution:		80
			Account 532	340	81
			Account 590		82
			Other (Specify)		83
			Total	340	84
					85
					86
					87
					88

Note.—The amount shown on line 59 should equal line 84; the amount shown on line 83 should equal line 88.

351. RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report hereunder a reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount.

2. If the respondent is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, inter-company amounts to be eliminated in such consolidated return.

Line No.	Item (a)	(Dollars in thousands)	Amount (b)
1	Net income for year from Schedule 300 (p. 66)		\$
	Reconciling amounts (list additional income and unallowable deductions followed by additional deductions and nontaxable income):		
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13	Federal tax net income		
14	Amount taxed as ordinary income	\$	XXXXXXXXXX
15	Amount taxed as capital gains		XXXXXXXXXX
16	Total (should be same as line 13)		XXXXXXXXXX

352. COMPUTATION OF FEDERAL INCOME TAXES

All carriers who are not members of a group which files a consolidated Federal tax return shall complete parts 1 and 3. Carriers who are members of a group which files a consolidated Federal tax return shall com-

plete parts 2 and 3. All carriers shall furnish information requested at bottom of schedule.
(Dollars in thousands)

Line No.	Item (a)	Amount (b)
		\$
	1. Computation of tax accrual on a separate return:	
1	Tax on ordinary income _____	
2	Tax on capital gains _____	
3	Total tax _____	
4	Less tax credits _____	
5	Tax accrual for year _____	
	2. If respondent is a member of an affiliated group which files a consolidated tax return, compute tax accrual in (a) as if filing on a separate return basis. Also compute tax accrual in (b) to reflect tax liability as allocated to respondent on consolidated tax return and complete Schedule 353.	
	(a) Computation of tax on separate return basis:	
6	Tax on ordinary income _____	
7	Tax on capital gains _____	
8	Total tax _____	
9	Less tax credits _____	
10	Tax accrual for year _____	
	(b) Allocation of tax on consolidated return:	
11	Allocated tax on ordinary income _____	
12	Allocated tax on capital gains _____	
13	Total tax _____	
14	Less tax credits allocated to respondent _____	
15	Tax accrual for year _____	
	3. Distribution of tax accrual:	
16	Account 532 _____ \$ _____	
17	Account 590 _____	
18	Other (Specify) _____	
19	_____	
20	Tax accrual for year _____	
21	1. Net decrease (or increase) in tax because of computing book depreciation under Commission rules and computing tax depreciation using the items listed below	\$
	-Accelerated depreciation under section 167 of the Internal Revenue Code.	
	-Guideline lives pursuant to Revenue Procedure 62-21.	
	-Guideline lives under Class Life System (Asset Depreciation Range) as provided in the Revenue Act of 1971.	
22	2. Net increase (or decrease) in tax because of accelerated amortization of facilities under Section 168 of the Internal Revenue Code for tax purposes and different basis used for book depreciation	\$
23	(a) Indicate method elected by carrier, as provided in the Revenue Act of 1971, to account for the investment tax credit.	
	Flow-through _____ Deferral _____	
24	(b) If flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit	\$
25	(c) If deferral method was elected, indicate amount of investment tax credit utilized as a reduction of tax liability for current year	\$
26	3. Deduct amount of current year's investment tax credit applied to reduction of tax liability but deferred for accounting purposes	\$
27	4. Balance of current year's investment tax credit used to reduce current year's tax accrual	\$
28	5. Add amount of prior years' deferred investment tax credits being amortized and used to reduce current year's tax accrual	\$
29	6. Total decrease in current year's tax accrual resulting from use of investment tax credits	\$
30	7. Net decrease (or increase) in tax because of accelerated amortization of certain rolling stock under Section 184 of the Internal Revenue Code and basis used for book depreciation	\$
31	8. Net decrease (or increase) in tax because of amortization of certain rights-of-way investment under Section 185 of the Internal Revenue Code	\$

353. CONSOLIDATED FEDERAL INCOME TAX INFORMATION

To be completed by carriers who are members of a group which files a consolidated Federal tax return. Give particulars for latest consolidated return filed. (Dollars in thousands)

Line No.	Name of Company:																																																																																																																																																																																																						
1	1. Schedule of affiliated companies included in consolidated return and allocation of tax liability for tax year ended _____, 19____																																																																																																																																																																																																						
	<table border="1"> <thead> <tr> <th>Item (a)</th> <th colspan="2">Book Income (b)</th> <th colspan="2">Taxable Income (c)</th> <th colspan="2">Tax liability on separate return basis (d)</th> <th colspan="2">Tax allocated on consolidated return (e)</th> </tr> <tr> <th></th> <th>\$</th> <th></th> <th>\$</th> <th></th> <th>\$</th> <th></th> <th>\$</th> <th></th> </tr> </thead> <tbody> <tr> <td>Carriers regulated by ICC:</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>2 Respondent _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>Other carriers:</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>3 _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>4 _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>5 _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>6 _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>7 _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>8 _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>9 _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>10 Totals-ICC regulated carriers _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>Other affiliates:</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>11 _____</td> <td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td> </tr> <tr> <td>12 _____</td> <td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td> </tr> <tr> <td>13 _____</td> <td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td> </tr> <tr> <td>14 _____</td> <td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td> </tr> <tr> <td>15 _____</td> <td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td><td>XXX</td> </tr> <tr> <td>16 _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>17 Totals-Other affiliates _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>18 Grand totals _____</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </tbody> </table>	Item (a)	Book Income (b)		Taxable Income (c)		Tax liability on separate return basis (d)		Tax allocated on consolidated return (e)			\$		\$		\$		\$		Carriers regulated by ICC:									2 Respondent _____									Other carriers:									3 _____									4 _____									5 _____									6 _____									7 _____									8 _____									9 _____									10 Totals-ICC regulated carriers _____									Other affiliates:									11 _____	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	12 _____	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	13 _____	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	14 _____	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	15 _____	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	16 _____									17 Totals-Other affiliates _____									18 Grand totals _____								
Item (a)	Book Income (b)		Taxable Income (c)		Tax liability on separate return basis (d)		Tax allocated on consolidated return (e)																																																																																																																																																																																																
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19	2. Indicate method of allocating the consolidated tax liability to the affiliated companies as elected under the provisions of Internal Revenue Code Section 1552 by specifying subsection 1, 2, 3 or 4. If subsection 4 is designated, describe method of allocation.																																																																																																																																																																																																						
20	Consolidated tax liability is allocated under Section 1552 (a) ()																																																																																																																																																																																																						
21	_____																																																																																																																																																																																																						
22	_____																																																																																																																																																																																																						
23	3. (a) Are tax loss companies paid by the group for the tax benefits arising from the inclusion of their losses in the consolidated return? Specify. Yes___No___																																																																																																																																																																																																						
24	(b) If loss companies are paid for tax benefits, describe method of allocating the tax savings and the method of payment.																																																																																																																																																																																																						
25	_____																																																																																																																																																																																																						

371. INCOME FROM LEASE OF ROAD AND EQUIPMENT

1. Give particulars called for with respect to road and equipment leased to others during the year, the rent of which is includible in account No. 509, "Income from lease of road and equipment".

2. If the respondent leased to others during all or any part of the year any road and equipment upon which no rent receivable accrued, give par-

ticulars in a footnote. Show the three largest items regardless of the dollar amount and all other items amounting to \$250,000 or more. Each item less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000." (Dollars in thousands)

Line No.	Description of property (a)	Name of lessee (b)	Total rent accrued during year (account 509) (c)
1			\$
2			
3		NONE	
4			
5		Total	

371A. ABSTRACT OF TERMS AND CONDITIONS OF LEASES

Give brief abstracts of the terms and conditions of the leases under which the above-stated rents are derived, showing particularly (1) the date of the grant, (2) the chain of title (in case of assignment or subletting) and dates of transfer connecting the original parties with the present parties, (3) the basis on which the amount of the annual rent is determined, and (4) the date when the lease will terminate, or, if the date of termination has not yet been fixed, the provisions governing the termination of the lease. Also give reference to the Interstate Commerce Commission's authority for the lease, if any. If none, state the reasons therefor. Only

changes during the year are required.—Indicate the year in which reference was made to the original lease, and also the year or years in which any change in lease was mentioned.

Copies of leases may be filed in lieu of abstracts above called for. References to copies filed in prior years should be specific.

If the respondent has any reversionary interest in railroad property from which it derives no rent, give the particulars hereunder; if it has no such reversionary interest, state that fact.

NONE

372. MISCELLANEOUS RENT INCOME

Give particulars of rents receivable accrued for use of all properties not otherwise specified under rents receivable. This account is for rent income from property not operated by the respondent but the cost of which is properly included in cost of road and equipment. It should not be confused with operating revenue account No. 142, "Rents of buildings and other property", which is for rent revenue from operated property in road and equipment the cost of operation of which cannot be separately

stated.

Show amount of rent from three properties producing largest income regardless of amount, and all properties producing income of \$250,000, or more. Other properties whose income is less than \$250,000 may be combined into a single entry designated, "Other items, each less than \$250,000 per annum."

Line No.	Description of Property		Name of lessee (c)	Amount of rent (d)	
	Name (a)	Location (b)			
1	Wire Crossing	Neshaminy Falls to Woodbourne, Pa.	Phila. Electric Company	\$	37
2	KV Line	Jenkintown to			
3		North Wales, Pa.	Phila. Electric Company		45
4	Lot and Sidetracks	Port Richmond Yard,			
5		Phila., Pa.	American Minerals, Inc.		24
6	Other items, each less than \$250,000 per annum.				1 019
7					
8					
9					
10					
11			Total		1 125

375. SEPARATELY OPERATED PROPERTIES - PROFIT OR LOSS

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

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

Line No.	Description of property operated (a)	Location of property (b)	Name of operator (c)	ACCRUED TO RESPONDENT	
				Profit (d)	Loss (e)
1	Ironton Railroad Company	One Mile East of	Lessee-Ironton	\$ 22	\$
2		Ironton to	Railroad		
3		Coplay, Pa. with			
4		Branch from			
5		Egypt, Pa. to			
6		Hokendauqua, Pa.			
7	Pennsylvania-Reading	Camden to Cape	Pennsylvania-		1 535
8	Seashore Lines	May, N.J., with	Reading Seashore		
9		sundry branches	Lines		
10			Total	22	1 535

INSTRUCTIONS CONCERNING RETURNS IN SCHEDULE 376. HIRE OF FREIGHT CARS, PAGE 88

1. Show a recapitulation of the total amounts credited and charged during the year to hire of freight cars on account of freight cars leased, freight cars interchanged, private and individual cars, auto racks and highway trailers. The difference between the total amount receivable and the total amount payable should be entered as a balance, receivable or payable as the case may be, and should be consistent with the entry for hire of freight cars in the Income Account, on page 300.

2. In column (b) show the total car-miles, both loaded and empty whether paid for on loaded and empty basis or loaded basis only. Car-miles, loaded and empty, reported in column (b), lines 1 through 4, relate to total car-miles incurred on lines of respondent by cars rented on a mileage basis, for which payments are reported in columns (d) and (f). Exclude from lines 1 through 4, data applicable to TOFC and COFC cars and cars rented on a combination mileage and per diem* basis. These exclusions should be reported in lines 5 and 6 through 16.

3. On line 5, column (b), enter the total miles, loaded plus empty, incurred on lines of respondent by TOFC and COFC cars for which payments are reported in columns (d) and (f). In columns (c) through (f), as applicable, enter the rentals paid for TOFC and COFC cars regardless of basis for charges.

4. On lines 6, 7, and 8 report data applicable to all cars the rentals for

which are charged only on a combination mileage and per diem* basis. Car-miles loaded and empty, reported in column (b), lines 6, 7, and 8, relate to total car-miles incurred on lines of respondent by cars rented on a combination mileage and time basis* for which payments are reported in columns (d) and (f). Exclude from lines 6, 7, and 8, data reported on lines 1 through 5 and 9 through 16.

5. On lines 9 through 14 report the per diem (time portion) charges applicable to cars rented on a combination mileage and per diem* basis for which the mileage portion was reported on lines 6, 7, and 8. Report on line 15, columns (c) and (d), the car-days paid for and for which payments were received applicable to the unequipped boxcar charges reported on lines 9 through 12. Report on line 16, columns (c) and (d), the car-days paid for and for which payments were received applicable to cars, other than unequipped box cars, for which charges are reported on line 13.

6. Amounts payable to insurance companies and to other non-carrier companies for lease rental of cars should be included on line 17, column (f). Amounts receivable from railroads or other carriers for per diem rental of these cars should be reported on lines 6 through 16, column (c).

7. Line 21 refers to the auto racks separate and apart from the cars on which the racks are installed.

*Combination mileage and per diem refers to cars moving at rates per mile and per day prescribed by the Commission in Docket No. 31358 or updated computations thereof.

376. HIRE OF FREIGHT CARS

(Dollars in thousands)

Line No.	Item (a)	Car-miles (loaded and empty) See instructions 2, 3, and 4 (b)	CARS OF RESPONDENT OR OTHER CARRIERS (Including cars of private car lines)		CARS OF INDIVIDUALS AND COMPANIES NOT CARRIERS (Including cars of private car lines)	
			Gross amount receivable (c)	Gross amount payable (d)	Gross amount receivable (e)	Gross amount payable (f)
	FREIGHT CARS		\$	\$	\$	\$
	Mileage Basis:					
1	Tank cars	7,742,832				645
2	Refrigerator cars	1,410,985				84
3	All other cars	3,544,868				116
4	Total (Lines 1-3)	12,698,685				845
5	TOFC and/or COFC Cars	3,101,076				1 172
	Combination Mileage and Per Diem Basis:					
	Mileage Portion:					
6	Unequipped box cars	18,002,282	390	363		
7	All other per diem cars	69,600,500	2 265	1 683		
8	Total (Lines 6 and 7)	87,602,882	2 655	2 046		
	Per Diem Portion:					
	Unequipped Box Cars:					
	U.S. Ownership:					
9	Basic		521	1 472		
10	Incentive		394	1 120		
	Canadian Ownership:					
11	Basic		27	173		
12	Incentive		14	62		
13	All Other Per Diem Cars		7 118	7 471		
14	Total Per Diem Portion (Lines 9-13)		8 074	10 298		
15	Car-days Paid For Unequipped Box Cars		187 155	542 201		
16	Car-days Paid For, All Other Per Diem Cars		2,019 796	2,123 705		
17	Leased Rental-Railroad, Insurance and Other Companies		\$ (4)	\$ 241	\$	\$ 5 296
18	Other Basis		29		129	
	OTHER FREIGHT CARRYING EQUIPMENT					
19	Refrigerated Highway Trailers				46	
20	Other Highway Trailers		955	554		855
21	Auto Racks					
22	GRAND TOTAL (Lines 4, 5, 8, 14, & 17-21)		11 709	13 139	175	8 168
23	NET BALANCE CARRIED TO INCOME ACCOUNT: CREDIT \$ or DEBIT \$ 9,423					

377. LOCOMOTIVE RENTALS

Give an analysis as requested of amounts credited to account 504, "Rent from locomotives," and amounts charged to account 537, "Rent for locomotives," on account of locomotives leased or otherwise rented. (Dollars in thousands)

Line No.	Item (a)	Amount receivable (b)		Amount payable (c)		Remarks (d)
	Locomotives of respondent or other carriers:	\$		\$		
1	Mileage basis _____		30		222	
2	Per diem basis _____					
3	Other basis _____		28		51	
	Locomotives of individuals and companies not carriers:					
4	Mileage basis _____					
5	Per diem basis _____		8			
6	Lease rental-insurance and other companies _____				974	
7	Other basis _____					
8	Total _____		66	1	247	

378. PASSENGER-TRAIN CAR RENTALS

Show a recapitulation of the total amounts credited to account 505, "Rent from passenger-train cars," and amounts charged to account 538, "Rent for passenger-train cars," on account of passenger cars leased, passenger cars interchanged, and private or individual cars. (Dollars in thousands)

Line No.	Item (a)	Amount receivable (b)		Amount payable (c)		Remarks (d)
	Cars of respondent or other carriers:	\$		\$		
1	Mileage basis _____		19			
2	Per diem basis _____					
3	Other basis _____					
	Cars of individuals and companies not carriers:					
4	Mileage basis _____					
5	Per diem basis _____					
6	Lease rental-insurance and other companies _____				684	
7	Other basis _____					
8	Total _____		19		684	

383. RENT FOR LEASED ROADS AND EQUIPMENT

1. Give particulars called for with respect to roads and equipment leased from others during the year, the rent for which is includible in account No. 542, "Rent for leased roads and equipment."

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

3. If the respondent held under lease during all or any part of the year any road upon which no rent payable accrued, or if any portion of the

charge shown hereunder is for construction on a line in which the respondent's leasehold interest will soon expire, give full particulars in a footnote.

4. Show the three largest items regardless of the dollar amount and all other items amounting to \$250,000 or more. Each item less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000." (Dollars in thousands)

Line No.	Name of lessor or reversioner and description of property (a)	Total rent accrued during year (Acct. 542) (b)		Classification of Amount Column (b)				
				Interest on bonds (c)		Dividends on stocks (d)		Cash (e)
1	Delaware & Bound Brook R.R. Co.	\$	281	\$	131	\$	144	\$ 6
2	North Pennsylvania Railroad Co.		728*		216		442	12
3	Philadelphia, Germantown and							
4	Norristown Railroad		278		270			8
5								
6	Other Items Each Less Than							
7	\$250,000		2594		144		33	
8								
9								
10	Total		1 546		761		619	26

383A. ABSTRACTS OF LEASEHOLD CONTRACTS

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

Also give reference to the Interstate Commerce Commission's authority for the lease, if any. If none, state the reasons therefore. Only changes during the year are required.

2. In lieu of the abstracts here called for, the respondent may file copies of lease agreements and give specific references to copies heretofore filed with the Commission. Agreements being filed should be addressed to the Bureau of Accounts.

ThousandsNotes for Schedule 383:

* Includes a charge of \$58,000.00 which represents Reading Company's leasehold interest in the 1973 property sales of the North Pennsylvania Railroad Company. Proceeds were used for payment towards the North Pennsylvania Railroad Company outstanding bonds \$ 58

φ Includes principal payment of \$80,000 to the City of Philadelphia for the redemption of bonds issued in connection with the electrification of the Fox Chase Line 80

φ Includes accrual for \$2,000.00 account New Jersey Property Tax for Allentown Terminal Railroad Company 2
Total Included in Col. (b) \$140

304. MISCELLANEOUS RENTS

Give particulars of all properties the rents on which were charged by the respondent during the year to Income, under the heading "Miscellaneous rents," showing for each item the total charge therefor to Income. Show the three largest items regardless of the dollar amount and all other

items amounting to \$250,000 or more. Each item less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000." (Dollars in thousands)

Line No.	Description of Property		Name of lessor (c)	Amount charged to Income (d)	
	Name (a)	Location (b)			
1	Transfer Bridge	Deep Water Point, N.J.	E. I. DuPont	\$	9
2	Track 3 and 4	Pavonia Yard, Camden, N.J.	Penn Central R.R.		7
3	Office Space	Belmont Yard, East Side, Pa.	Baltimore & Ohio R.R.		1
4	Other Items Each Less Than \$250,000				4
5					
6					
7					
8					
9					
10				Total	21

39. ITEMS IN SELECTED INCOME AND RETAINED INCOME ACCOUNTS FOR THE YEAR

Give a brief description for all items, regardless of amount, included during the year in accounts 570, "Extraordinary items"; 580, "Prior period items"; 590, "Federal income taxes on extraordinary and prior period items"; 606, "Other credits to retained income"; 616, "Other debits to retained income"; 620, "Appropriations for sinking and other reserve funds"; 621, "Appropriations for other purposes"; and 622, "Appropriations released." Give a brief description of the three largest items regardless of the dollar amount and all other items amounting to \$250,000 or

more included during the year in accounts 519, "Miscellaneous income", and 551, "Miscellaneous income charges." Items less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000." The entries for each account shall be listed and the total of each account shall be shown corresponding to the amounts in Schedules 300 and 305, as appropriate. In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote. (Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Debits (c)	Credits (d)
1	519	Profit from Sale of Property	\$	\$ 1 057
2		Greater Pottsville - Sewer Easement		107
3		Rents Due and Accrued		100
4		Other Items Each Less Than \$250,000		272
5				
6		Total Account No. 519		1 536
7				
8	551	Interest on State and Local Taxes	418	
9		Adjustment of Reserve Account Erie Lackawanna Bankruptcy	42	
10		Write off of Appraisal Cost in connection with		
11		Proposed Sales of Property	56	
12		Other Items Each Less Than \$250,000	80	
13				
14		Total Account No. 551	596	
15				
16	616	Loss from Clearing Account No. 80 as Authorized		
17		by I.C.C.	2 000	
18				
19		Total Account No. 616	2 000	
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				

MEMORANDA RELATING TO SELECTED INCOME AND RETAINED INCOME ACCOUNTS

397. STATEMENT OF CHANGES IN FINANCIAL POSITION

Give the information as requested concerning the source and application of funds during the year. Funds for the purpose of this schedule shall include all assets or financial resources even though a transaction may not directly affect cash or working capital. For example, the purchase of property in exchange for shares of stock or bonds would be an applica-

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

(Dollars in thousands)

Line No.	Item (a)	Amount (b)	Amount (c)
	Sources of funds:		
1	Net income (page 66, line 58)	(12 702)	
	Add non-cash charges for:		
2	Depreciation and amortization	7 131	
3	Retirements of nondepreciable property	487	
	Add non-cash charges for additions (deduct for decreases) to reserves:		
4	Pension and welfare reserves	-	
5	Insurance reserves	-	
6	Casualty and other reserves	1 225	
7	Interest in default & liabilities deferred under reorganization	8 936	
8	Other important items (specify) Deferred Equipment Rentals	473	
9	P.R.S.L. Advances	1 535	
10	Funds provided by operations		7 085
11	Proceeds from sale of capital stock of own issue		-
12	Proceeds from sale of funded debt and other obligations of own issue (except equipment obligations)		1 235
13	Proceeds from sale of equipment obligations of own issue		322
14	Book value of depreciable transportation property retired during year	7 026	
15	Less service value charged to accrued depreciation account	6 308	718
16	Net book value of miscellaneous physical property disposed of during year		276
17	Net book value of investment securities disposed of during year		-
18	Advances, notes and other debts repaid by affiliated companies		285
19	Advances, notes and other debts repaid by other companies		-
20	Net decrease in sinking and other reserve funds		-
21	Net decrease in working capital (total current assets less total current liabilities)*		-
22	Other sources (specify)		
23	Siding Refunds		226
24	Interest on Trustee Obligations (Acct. 782)		971
25			
26	Total sources of funds (should be same as line 43)		11 118
	Application of funds:		
27	Investment in transportation property (excluding donations and grants)		1 605
28	Investment in miscellaneous physical property		44
29	Investments and advances, affiliated ICC regulated carriers	59	
30	Investments and advances, other affiliated companies	11	70
31	Investments in nonaffiliated companies		-
32	Advances, notes and other debts repaid to other companies		-
33	Capital stock of own issue reacquired		-
34	Funded debt and other obligations paid or reacquired (except equipment obligations)		12
35	Equipment obligations paid or reacquired		2 028
36	Net increase in sinking and other reserve funds		2 033
37	Payment of dividends (other than stock dividends) Miscellaneous		261
38	Net increase in working capital*		2 712
39	Other applications (specify) P.R.S.L. Interline Settlement		1 535
40	Amounts payable to Affiliated Companies		140
41	Accts. Rec. Offsets Claimed by Other Railroads (Acct. 741)		405
42	Damage to Rdg. Co. Property by Outside Parties (Acct. 741)		273
43	Total application of funds (should be same as line 26)		11 118

* For the purpose of this schedule, account 764, Long-term Debt Due Within One Year, shall be classified as a current liability in the determination of working capital.

INSTRUCTIONS CONCERNING RETURNS IN SCHEDULE 411

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

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

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

Lengths should be stated to the nearest hundredth of a mile.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

411. MILEAGE OPERATED AT CLOSE OF YEAR (For other than switching and terminal companies)

Line No.	Class (a)	Proportion owned or leased by respondent (b)	Main (M) or branch (B) line (c)	RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				Miles of way switching tracks (h)	Miles of yard switching tracks (i)	Total (j)
				Miles of road (d)	Miles of second main track (e)	Miles of all other main tracks (f)	Miles of passing tracks, cross-overs, and turn-outs (g)			
1	1	100%	M	548 12	243 68	27 69	189 72	74 26	378 89	1,462 36
2										
3	1	100%	B	272 63	3 35	-	38 16	43 76	51 73	409 63
4										
5	1J	50%	B	2 42	1 71	-	62	-	2 04	6 79
6	1J	33 1/3%	B	-	-	-	23	-	4 27	4 50
7	Total 1J Branch			2 42	1 71	-	85	-	6 31	11 29
8	Total 1 & 1J Branch			275 05	5 06	-	39 01	43 76	58 04	420 92
9	Total 1M, 1 & 1J Branch			823 17	248 74	27 69	228 73	118 02	436 93	1,883 28
10										
11	3A	100%	M	126 47	27 60	-	33 50	5 32	35 33	228 22
12										
13		33 1/3%	M	2 85	93	-	37	-	4 12	8 27
14										
15	3A	100%	B	12 61	-	-	2 42	1 50	6 58	23 11
16				141 93	28 53	-	36 29	6 82	46 03	259 60
17										
18	3B	100%	M	134 59	119 54	14 10	51 05	12 13	39 88	371 29
19										
20	3B	100%	B	23 79	11	-	3 97	2 45	9 61	39 93
21				158 38	119 65	14 10	55 02	14 58	49 49	411 22
22	Total 3A-M, B & 3B-M, B			300 31	148 18	14 10	91 31	21 40	95 52	670 82
23										
24	5	100%	M	8 66	7 28	3 45	-	-	5 29	24 68
25										
26	5	100%	B	29 56	7 59	5 55	98	-	13 10	56 78
27	Total 5M & 5B			38 22	14 87	9 00	98	-	18 39	81 46
28										
29										
30										
31										
32										
33										
34										
35										
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51										
52										
53										
54										
55	Total Main Line			XXX 820 69	399 03	45 24	274 64	91 71	463 51	2,094 82
56	Total Branch Lines			XXX 341 01	12 76	5 55	46 38	47 71	87 33	540 74
57	Grand Total			XXX 1,161 70	411 79	50 79	321 02	139 42	550 84	2,635 56
58	Miles of road or track electrified (included in preceding grand total)			XXX 90 98	71 13	14 91	10 19	81	4 15	192 17

411-A. MILEAGE OWNED BUT NOT OPERATED BY RESPONDENT AT CLOSE OF YEAR

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

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

Line No.	Class	Name of road or track	Main (M) or branch (B) line	RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				Miles of passing tracks, cross-overs, and turn-outs	Miles of way switching tracks	Miles of yard switching tracks	Total					
				Miles of road		Miles of second main track							Miles of all other main tracks			
				(d)	(e)	(f)										
(a)	(b)	(c)					(g)	(h)	(i)		(j)					
1		Lehigh &	M	80	23	57	73		4	38	14	29	100	31	256	94
2		Susquehanna	B	45	04		22			34	14	17	24	71	84	48
3		R.R. System														
4																
5																
6																
7																
8		Investment related to this mileage is included in Schedule 216.														
9																
10																
11																
12																
13																
14																
15		Total	XXX	125	27	57	95		4	72	28	46	125	02	341	42

412. MILES OF ROAD AT CLOSE OF YEAR—BY STATES AND TERRITORIES (SINGLE TRACK)

(For other than switching and terminal companies)

Give particulars, as of the close of the year, of all road operated and of all owned but not operated. The respondent's proportion of operated road held by it as joint or common owner, or under a joint lease, or under any joint arrangement, should be

shown in columns (b), (c), (e), or (f), as may be appropriate. The remainder of jointly operated mileage should be shown in column (g). Respondent's proportion of road jointly owned, not operated, should be shown in columns (i) and (j), as may be ap-

propriate. Tracks which have been permanently abandoned should not be included in columns (i) and (j).

Lengths should be stated to the nearest hundredth of a mile

Line No.	State or territory (a)	ROAD OPERATED BY RESPONDENT										LINE OWNED, NOT OPERATED BY RESPONDENT				New line constructed during year (k)		
		LINE OWNED				Line of proprietary companies (d)	Line operated under lease (e)	Line operated under contract, etc. (f)	Line operated under trackage rights (g)	Total mileage operated (h)	Main line (i)	Branch lines (j)						
		Main line (b)	Branch lines (c)															
1	Pennsylvania	548	12	273	84		223	86		33	41	1,079	23	80	23*	45	04*	
2																		
3	New Jersey						54	64		6	40	61	04					
4																		
5	Delaware						20	87		56		21	43					
6																		
7																		
8																		
9	* Investments related to this mileage are included in Schedule 216.																	
10																		
11																		
12																		
13																		
14																		
15																		
16	Total Mileage (single track)	548	12	273	84		299	37		40	37	1,161	70	80	23	45	04	None

548.12

273.84

821.96

125.27

947.23

80.23

45.04

125.27

414. TRACKS OPERATED AT CLOSE OF YEAR

(For switching and terminal companies only)

Give particulars of all tracks operated by the respondent at the close of the year.

Classify the tracks, as follows:

- (1) Tracks owned by the respondent;
- (2) Tracks operated by the respondent but owned by the respondent's proprietary corporations;
- (3) Tracks operated under lease for a specified sum, lessor being (A) an affiliated corporation, or (B) independent or not affiliated with respondent;
- (4) Tracks operated under contract or agreement, or where the rent is contingent upon earnings or other consideration, owner being (A) an affiliated corporation, or (B) independent or not affiliated with respondent;
- (5) Tracks operated under trackage rights.

Name all the tracks of each class before any of a later class, and insert in column (a) before the name of each owner the figure (and letter, if any) indicating its class in accordance with the preceding classification.

Give subtotals for each of the several numbered classes.

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

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

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

financial purposes is immaterial in this connection.

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

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

Lengths should be stated to the nearest hundredth of a mile.

Tracks belonging to an industry for which no rent is payable should not be reported.

Tracks held by the respondent as joint or common owner or a joint lessee or under any joint arrangement should be shown in its appropriate class and the entry of length should be of the entire length of the portion jointly held. The class symbol should have the letter (J) attached, and full particulars showing all of the joint or common title holders, and the extent of their respective interests should be shown in a memorandum attached to the schedule.

Line No.	Class (a)	Name of owner (b)	Location (c)	Character of business (d)	Total mileage operated (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
Total					
Miles of road or track electrified (included in each preceding total)					
TRACKS OPERATED AT COST FOR JOINT BENEFIT—INCLUDED ABOVE					
11					
12					
13					
14					
15					
16					
17					
Total					

18 Are the tracks of the respondent operated primarily in the interest of any industrial, manufacturing, or other corporation, firm, or individual?

If so, give name, address, and character of business of corporation, firm, or individual. Name _____

Address _____

Character of business _____

Road Initials

RDG

Year 1973

NR

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

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

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

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

Line No.	State or Territory (a)	Tracks Operated						Tracks owned, not operated by respondent (h)	New tracks constructed during year (i)
		Tracks owned (b)	Tracks of proprietary companies (c)	Tracks operated under lease (d)	Tracks operated under contract, etc. (e)	Tracks operated under trackage rights (f)	Total mileage operated (g)		
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
	Total Mileage								

NOT APPLICABLE

INSTRUCTION CONCERNING RETURNS IN SCHEDULE 417 ON PAGES 100 AND 101

Instructions for reporting locomotive and passenger-train car data, pages 100 and 101:

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

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

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

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

equipped for use singly or as a lead locomotive unit. A "B" unit may be equipped with hostler controls for independent operating at terminals.

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

6. A "Diesel" unit includes all units propelled by diesel internal combustion engines irrespective of final drive, and whether power may at times be supplied from external conductor. Units other than diesel-electric, e.g., diesel-hydraulic, should be identified in a footnote giving the number and a brief description. An "Electric" unit includes all units which receive electric power from an overhead contact wire or third rail, and use the power to drive one or more electric motors that propel the vehicle. An "Other self-powered unit" includes all units other than diesel

or electric, e.g., steam, gas turbine. Show the type of unit, service and number, as appropriate, in a brief description sufficient for positive identification. An "Auxiliary unit" includes all units used in conjunction with locomotives but which draw their power from the "mother" unit, e.g., boosters, slugs, etc.

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

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

417. INVENTORY OF EQUIPMENT

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

UNITED STATES DEPARTMENT OF COMMERCE
BUREAU OF MARITIME SERVICE
MARITIME SAFETY AND SOUNDNESS REPORT

Line No.	Type or design of units	Units in service of respondent at beginning of year	UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS									
			Changes During the Year					Units at Close of Year				
			Units installed				Units retired from service of respondent whether owned or leased, including re-classification	Owned and used	Leased from others	Total in service of respondent (col. (h) & (i))	Aggregate capacity of units reported in col. (j) (see ins. 7)	Leased to others
			New units purchased or built	New units leased from others	Rebuilt units acquired and rebuilt units rewritten into property accounts	All other units including re-classification and second hand units purchased or leased from others (f)						
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
	Locomotive Units										(H.P.)	
1	Diesel-Freight — A units											
2	Diesel-Freight — B units											
3	Diesel-Passenger — A units	3					3		3	4,500		
4	Diesel-Passenger — B units											
5	Diesel-Multiple purpose — A units	170		5		15	131	29	160	349,800		
6	Diesel-Multiple purpose — B units											
7	Diesel-Switching — A units	72		25		2	49	46	95	106,000		
8	Diesel-Switching — B units											
9	Total (lines 1 to 8)	245		30		17	183	75	258	460,300		
10	Electric-Freight											
11	Electric-Passenger											
12	Electric-Multiple purpose											
13	Electric-Switching											
14	Total (lines 10 to 13)											
15	Other self-powered units											
16	Total (lines 9, 14 and 15)	245		30		17	183	75	258	460,300		
17	Auxiliary units										XXXX	
18	Total Locomotive Units (lines 16 and 17)	245		30		17	183	75	258		XXXX	

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

UNITED STATES DEPARTMENT OF COMMERCE, BUREAU OF MARITIME SERVICE, OFFICE OF MARITIME SAFETY, MARITIME SAFETY DIVISION												
Type or design of units (a)		Before Jan. 1, 1950 (b)	Between Jan. 1, 1950, and Dec. 31, 1954 (c)	Between Jan. 1, 1955, and Dec. 31, 1959 (d)	Between Jan. 1, 1960, and Dec. 31, 1964 (e)	Between Jan. 1, 1965, and Dec. 31, 1969 (f)	During Calendar Year					
							1970 (g)	1971 (h)	1972 (i)	1973 (j)	1974 (k)	TOTAL (l)
19	Diesel _____	9	67	14	86	46	2	3	1	30		258
20	Electric _____											
21	Other self-powered units _____											
22	Total (lines 19 to 21) _____	9	67	14	86	46	2	3	1	30		258
23	Auxiliary units _____											
24	Total Locomotive Units (lines 22 and 23) _____	9	67	14	86	46	2	3	1	30		258

417. INVENTORY OF EQUIPMENT—Continued

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

Line No.	Class of equipment and car designations (a)	Units in service of respondent at beginning of year (b)	Changes During the Year					Units at Close of Year				
			Units Installed				Units retired from service of respondent whether owned or leased, including reclassification (g)	Owned and used (h)	Leased from others (i)	Total in service of respondent (col. (h)&(i)) (j)	Aggregate capacity of units reported in col. (j) (see ins. 7) (k)	Leased to others (l)
			New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units, including reclassification and second hand units purchased or leased from others (f)						
	PASSENGER-TRAIN CARS <i>Non-Self-Propelled</i>											
25	Coaches [PA, PB, PBO] ———	14 .					8	6		6	(Seating capacity) 368	
26	Combined cars [All class C, except CSB] ———											
27	Parlor cars [PBC, PC, PL, PO] ———											
28	Sleeping cars [PS, PT, PAS, PDS] ———											
29	Dining, grill and tavern cars [All class D, PD] ———										XXXX	
30	Postal cars [All class M] ———										XXXX	
31	Non-passenger carrying cars [All class B, CSB, PSA, IA] ———										XXXX	
32	Total (lines 25 to 31) ———	14 .					8	6		6	368	
	Self-Propelled Rail Motorcars											
33	Electric passenger cars [EP, ET] ———	146 .						91	55	146	13,177	
34	Electric combined cars [EC] ———	7 .						7		7	444	
35	Internal combustion rail motorcars [ED, EG] ———	16 .						4	12	16	1,554	
36	Other self-propelled cars (Specify types: ———)											
37	Total (lines 33 to 36) ———	169 .						102	67	169	15,175	
38	Total (lines 32 and 37) ———	183 .					8	108	67	175	15,543	
	COMPANY SERVICE CARS											
39	Business cars [PV] ———	1 .						1		1	XXXX	
40	Boarding outfit cars [MWX] ———										XXXX	
41	Derrick and snow removal cars [MWU, MWV, MWW, MWK] ———	3 .						3		3	XXXX	
42	Dump and ballast cars [MWB, MWD] ———	10 .					1	9		9	XXXX	
43	Other maintenance and service equipment cars ———	111 .				20		131		131	XXXX	
44	Total (lines 39 to 43) ———	125 .				20	1	144		144	XXXX	

* Restate applicable to 12/31/72.

417. INVENTORY OF EQUIPMENT—Continued

Instructions for reporting freight-train car data, pages 102 and 103:

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.
2. In column (p) give the number of units purchased or built in company shops. In column (q) give the number of new units leased from others. The term "new"

means a unit placed in service for the first time on any railroad.

3. Units placed to others for a period of one year or more are reportable in column (z): units temporarily out of respondent's service and rented to others for less than one year are to be included in column (u): units rented from others for a period less than one year should not be included in column (v).

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

Line No.	Class of equipment and car designations (m)	Units in service of respondent at beginning of year		Changes During the Year			
		Time-mileage cars (n)	All others (o)	Units Installed			
				New units purchased or built ¹ (p)	New units leased from others (q)	Rebuilt units acquired and rebuilt units rewritten into property accounts ¹ (r)	All other units, including reclassification and second hand units purchased or leased from others (s)
FREIGHT-TRAIN CARS							
45	Box-General Service (unequipped) [All B, L070, R-00, R-01]	1,534					
46	Box-General Service (equipped) [A-20, A-30, A-40, A-50, R-06, R-07]	1,280					1
47	Box-Special Service [A-00, A-10]	72					
48	Gondola-General Service [All G (except G-9-)]	3,423					25
49	Gondola-Special Service [G-9-, J-00, all C, all E]	415					38
50	Hopper (open top)-General Service [All H (except H-70)]	4,820					4
51	Hopper (open top)-Special Service [H-70, J-10, J-20, all K]	368					20
52	Hopper (covered) [L-5-]	907					
53	Tank, under 12,000 gallons [T-0, T-1, T-2, T-3]						
54	Tank; 12,000-18,999 gallons [T-4]						
55	Tank, 19,000-24,999 gallons [T-5, T-6]						
56	Tank, 25,000 gallons and up [T-7, T-8, T-9]						
57	Refrigerator (meat)-Mechanical [R-11, R-12]						
58	Refrigerator (other than meat) -Mechanical [R-04, R-10]	1			12		
59	Refrigerator (meat)-Non-Mechanical [R-02, R-08, R-09, R-14, R-15, R-17]						
60	Refrigerator (other than meat) -Non-Mechanical [R-03, R-05, R-13, R-16]	209					
61	Stock [All S]						
62	Autorack [F-5-, F-6-]						
63	Flat-General Service [F-0-]	44					
64	Flat-Special Service [F-1-, F-9-, F-20, F-30, F-40, L-2-, L-3-]	76					7
65	Flat-TOFC [F-7-, F-8-]						
66	All other [L-0-, L-1-, L-4-, L080, L090]						
67	Total (lines 45 to 66)	13,149			12		95
68	Caboose [All N]	XXXX	153				
69	Total (lines 67, 68)	13,149	153		12		95
70	Grand total, all classes of cars (lines 38, 44 and 69)	13,149	461		12		115

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

New units purchased or built

Units rebuilt or acquired

General funds

Incentive funds

General funds

Incentive funds

417. INVENTORY OF EQUIPMENT—Continued

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

5. Freight-train car type codes shown in column (m) correspond to the AAR Multiple Per Diem Master List. Dashes are used in appropriate places to permit a single

code to represent several car type codes. Descriptions of car codes and designations are published in *The Official Railway Equipment Register*.

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

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

Changes during year (Concluded)	Units At Close of Year						Line No.
	Owned and used (u)	Leased from others (v)	Total in service of respondent (col. (u) + (v))		Aggregate capacity of units reported in col. (w) + (x) (see ins. 4) (y)	Leased to others (z)	
			Time- mileage cars (w)	All other (x)			
Units retired from service of respondent whether owned or leased, in- cluding re- classification (t)							
83	1,106	345	1,451		92,611		45
24	377	880	1,257		75,625		46
5	67		67		4,180		47
136	2,374	938	3,312		258,865		48
34	261	158	419		34,057		49
199	4,065	560	4,625		313,704		50
171	137	80	217		18,410		51
7	350	550	900		78,454		52
							53
							54
							55
							56
							57
		13	13		1,807		58
							59
	113	96	209		12,322		60
							61
7	37		37		2,849		62
4	79		79		4,526	(A) 2	63
							64
							65
670	8,966	3,620	12,586		897,410	2	66
	133	20	xxxx	153	xxxxxxxxxxxxxxxx		67
670	9,099	3,640	12,586	153	897,410	2	68
679	9,351	3,707	12,586	472	897,410	2	69
(A) Two (2) cars leased to Aqua Chemicals, Inc.							70

417. INVENTORY OF EQUIPMENT—Concluded

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

Line No.	Class of equipment and car designations (m)	Units in service of respondent at beginning of year		Changes During the Year			
		Per diem (n)	All other (o)	Units Installed			
				New units purchased or built (p)	New units leased from others (q)	Rebuilt units acquired and rebuilt units rewritten into property accounts (r)	All other units, including reclassification and second hand units purchased or leased from others (s)
	FLOATING EQUIPMENT						
71	Self-propelled vessels [Tugboats, car ferries, etc.]	XXXX	1				
72	Non-self-propelled vessels [Car floats, lighters, etc.]	XXXX	5				
73	Total (lines 71 and 72)	XXXX	6				
	HIGHWAY REVENUE EQUIPMENT						
74	Bogie-chassis						
75	Dry van	560					
76	Flat bed						
77	Open top	17					
78	Mechanical refrigerator						
79	Bulk						
80	Insulated						
81	Platform, removable sides						
82	Other trailer or container						
83	Tractor						
84	Truck						
85	Total (lines 74 to 84)	577					

NOTES AND REMARKS

417. INVENTORY OF EQUIPMENT—Concluded

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

Changes during year (Concluded)	Units At Close of Year						Line No.
	Owned and used (u)	Leased from others (v)	Total in service of respondent (col. (u)+(v))		Aggregate capacity of units reported in col. (w)+(x) (see ins. 4) (v)	Leased to others (z)	
			Per diem (w)	All other (x)			
Units retired from service of respondent whether owned or leased, in- cluding re- classification (t)	(u)	(v)	(w)	(x)	(v)	(z)	
	1		XXXX	1	(Tons) Not Applicable		71
	5		XXXX	5	7,100		72
	6		XXXX	6	7,100		73
7	72	481	553		13,761		74
							75
2	15		15		366		76
							77
							78
							79
							80
							81
							82
							83
9	87	481	568		14,127		84
							85

NOTES AND REMARKS

421. HIGHWAY MOTOR VEHICLE OPERATIONS

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

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

In reporting traffic carried and traffic handled 1 mile on lines 10 to 15, and on lines 20 to 23, both inclusive, show the total number of tons and ton-miles of revenue freight in column (i) and the total number of passengers carried and passenger-miles in column (c), regardless of the class of vehicle used to perform the transportation service.

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

A. OPERATED BY RESPONDENT
(Revenue and nonrevenue service)

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

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

B. OPERATED BY OTHERS
(Revenue service)

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

421. HIGHWAY MOTOR VEHICLE OPERATIONS—Concluded

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

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

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

Containers (e)	Semitrailers (f)	Tractors (g)	Trailers (h)	Trucks (i)	Combination bus-trucks (j)	Line No.
			577			1
			-			2
			9			3
			568			4
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX		5
XXXXXX		XXXXXX	*		XXXXXX	6
XXXXXX			*	XXXXXX	XXXXXX	7
			*			8
			*			9
XXXXXX	XXXXXX	XXXXXX	XXXXXX		XXXXXX	10
XXXXXX	XXXXXX	XXXXXX	XXXXXX		XXXXXX	11
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	12
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	13
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX		14
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	15
	1	1		240		16
	None	None		31		17
	None	None		22		18
	1	1		249		19

B. OPERATED BY OTHERS—Concluded
(Revenue service)

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

* Information not available.

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

Give particulars of highway motor-vehicle enterprises (excluding Railway Express Agency, Inc.) in which the respondent had a financial interest, either directly or indirectly, during the year.

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

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

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

Line No.	Name and address of highway motor-vehicle enterprise (a)	Nature of respondent's interest (b)	Date on which respondent's direct or indirect interest was originally acquired (c)
1	Reading Transportation Company,	Direct	December 1, 1925
2	Reading Terminal,		
3	Phila., Penn., 19107.		
4			
5	Pittsburgh-Philadelphia Transportation	Indirect	July 10, 1970
6	Company,	Ambler Container Co.	
7	Reading Terminal,	Eastern Real Estate Co.	
8	Phila., Penn., 19107.		
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

510. GRADE CROSSINGS

A—Railroad With Railroad

1. A crossing of a railroad with a railroad means the intersection of all the tracks on one right-of-way with all of the tracks on another right-of-way, whether or not owned or operated by the same company; thus, the intersection of one double-track line with another double-track line shall be reported as one crossing. Each such crossing shall be reported only by the carrier who performs the actual maintenance of the signal or interlocking protection, if so provided, or by the carrier who maintains the crossing frogs where no protection exists. The carrier which actually performs the maintenance shall be the reporting carrier, even though other party, or parties, assume a part or all of the expense of such maintenance. Where portions of the apparatus are maintained by two or more companies, as for example—the condition where one crossing frog is maintained by one company and the second frog by the other company, agreement should be made between carriers as to which shall report. Report should be made of each crossing, whether main line, branch line, or switching tracks are involved, so long as separate rights-of-way are involved, regardless of whether or not the rights-of-way involved are

owned or leased by the same company. A cross-over from one track to another on the same right-of-way, or the use of a crossing frog for the intersection of two tracks in the same right-of-way, is not to be considered as a crossing in this connection. If one right-of-way intersects two or more rights-of-way in the same vicinity a separate crossing shall be reported for each such intersection, even though all are controlled by one interlocking plant. In such case, this fact should be explained in a footnote in order that the interlocking plant may not be counted more than once.

2. The term "Protection" as used in this connection should include all signalling or derailing devices which may restrict the use of the crossing by either carrier. It shall not include stationary or other cautionary signs which merely indicate the proximity of a crossing. Where crossings are protected by more than one of the types of protection shown in columns (b) to (i) inclusive, the kind of protection, etc., should be reported in only one classification and that of the more elaborate type.

Line No.	Number of crossings (a)	Interlocking (b)	Automatic signals (automatic interlocking) (c)	Derails on one line, no protection on other (d)	Hand-operated signals, without interlocking (e)	Gates (f)	Total specially protected (g)	Total not specially protected (h)	Grand total (i)
1	Number at beginning of year	6	1		1		8	56	64
2	Crossings added: New crossings								
3	Change in protection								
4	Crossings eliminated: Separation of grade								
5	Change in protection								
6	Other causes								
7	Number at close of year	6	1		1		8	56	64
	Number at Close of Year by States:								
8									
9	Pennsylvania	5	1		1		7	53	60
10	Delaware	1					1	3	4
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									

510. GRADE CROSSINGS—Continued
B—Railroad With Highway

110

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

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

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

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

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

Line No.	Item of Annual Change (a)	TYPES OF PROTECTION FOR, AND NUMBERS OF CROSSINGS AT GRADE													
		Automatic gates with flashing lights (b)	Automatic flashing light signals (c)	Gates manually operated		Watchmen only		Audible signals only (h)	Other automatic signals (i)	Total indicating warning of train approach (j)	"Railroad Crossing" crossbuck signs only (k)	Crossbuck signs with other fixed signs (l)	Other fixed signs only (m)	No signs or signals (n)	Total crossings at grade (o)
				24 hours per day (d)	Less than 24 hours per day (e)	24 hours per day (f)	Less than 24 hours per day (g)								
1	Number at beginning of year _____	152	409	8	0	0	0	3	7	579	583	5	45	290	1,502
2	Added: By new, extended or relocated highway _____										1				1
3	By new, extended or relocated railroad _____														
4	Total added _____										1				1
5	Eliminated: By closing or relocation of highway _____														
6	By relocation or abandonment of railroad _____		2							2	14			4	20
7	By separation of grades _____														
8	Total eliminated _____		2							2	14			4	20
9	Changes in protection: Number of each type added _____	2	2							4					4
10	Number of each type deducted _____		1							1	3				4
11	Net of all changes _____	+ 2	- 1							+ 1	- 16			- 4	- 19
12	Number at close of year _____	154	408	8	0	0	0	3	7	580	567	5	45	286	1,483
13	Number at close of year by States:														
14	Pennsylvania	148	380	8				3	7	546	532	3	44	256	1,381
15	New Jersey	5	16							21	24	2		10	57
16	Delaware	1	12							13	11		1	20	45
17															
18															
19															
20															
21															
22															

511. GRADE SEPARATIONS

Highway-Railroad

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

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

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

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

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

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

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

Line No.	Items of Annual Change (a)	Types and numbers of highway-railroad grade separations		
		Overpass (Highway above railroad) (b)	Underpass (Railroad above highway) (c)	TOTAL (d)
1	Number at beginning of year _____	389	433	822
2	Added: By new, extended or relocated highway _____	2	1	3
3	By new, extended or relocated railroad _____			
4	By elimination of grade crossing ¹ _____			
5	Total added _____	2	1	3
6	Deducted: By closing or relocation of highway _____			
7	By relocation or abandonment of railroad _____	1		1
8	Total deducted _____	1		1
9	Net of all changes _____	+ 1	+ 1	+ 2
10	Number at close of year _____	390	434	824
	Number at close of year by States:			
11				
12	Pennsylvania	357	406	763
13	New Jersey	24	22	46
14	Delaware	9	6	15
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				

Total in column (d) should correspond to total number of grade crossings eliminated "By separation of grades", Schedule 510-B, line 7 column (a)

513. TIES LAID IN REPLACEMENT

Give particulars of ties laid during the year in previously constructed tracks maintained by the respondent. Do not include any ties used in any new tracks or in track extensions.

In column (a) classify the ties as follows:

(L) Wooden ties untreated when applied.

(T) Wooden ties treated before application.

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

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

In columns (d) and (g) should be shown the total cost, including transportation charges on foreign lines, tie trains, loading, inspection, and the cost of handling ties in general supply, storage, and seasoning yards; and,

in the case of treated ties, also the cost of handline at treating plants and the cost of treatment. The cost of unloading, hauling over carrier's own lines and placing the ties in tracks, and of train service, other than that necessary in connection with loading or treatment, should not be included in this schedule.

The sum of entries on lines 21, 22, and 23 should equal the total of columns (d) and (g).

Any material difference between the return on line 22 and the charge to operating expense account No. 212, or between the sum of charges to additions and betterments shown in schedules Nos. 513 and 514 and the related charge to investment account No. 8, should be explained in a footnote.

(Dollars in thousands)

Line No.	Class of ties (a)	CROSSTIES			SWITCH AND BRIDGE TIES			Remarks (h)
		Total number of ties applied (b)	Average cost per tie (c)	Total cost of crossties laid in previously constructed tracks during year (d)	Number of feet (board measure) applied (e)	Average cost per M feet (board measure) (f)	Total cost of switch and bridge ties laid in previously constructed tracks during year (g)	
1	T	130 027	\$ 6 15	\$ 800	479 148	\$ 200 36	\$ 96	New
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20	Total	130 027	6 15	800	479 148	200 36	96	

(Dollars in thousands)

21	Amount of salvage on ties withdrawn	\$ None	} 896 ✓
22	Amount chargeable to operating expenses	\$ 887	
23	Amount chargeable to additions and betterments	\$ 9	
Estimated number of crossties in all maintained tracks:			
24	Wooden ties	5,933,641	100.00
25	Other than wooden ties (steel, concrete, etc.)		
26	Total	5,933,641	100.00

Line 22 \$887

Miscellaneous Adjustments 107 Cr.

Total Account 212 \$780

T - Ties are treated by the Reuping or Full Cell Process.

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

Give particulars of ties laid during the year in new construction, following the instructions given in the preceding schedule, so far as applicable, (Dollars in thousands)

Line No.	Class of ties (a)	CROSSTIES				SWITCH AND BRIDGE TIES				Remarks (h)
		Total number of ties applied (b)		Average cost per tie (c)	Total cost of crossties laid in new tracks during year (d)	Number of feet (board measure) laid in tracks (e)		Average cost per M feet (board measure) (f)	Total cost of switch and bridge ties laid in new tracks during year (g)	
1	T		954	\$ 5 24	\$ 5		43 668	\$ 160 30	\$ 7	New
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20	Total		954	5 24	5		43 668	160 30	7	

21 Number of miles of new running tracks, passing tracks, cross-overs, etc., in which ties were laid .50

22 Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid 1.00

Schedule 513 - Line 23 \$ 9
 514 - Line 20 Col. (d) ... 5
 514 - Line 20 Col. (g) ... 7
\$21
 Miscellaneous Adjustments 39
\$60

I.C.C. Schedule 211:

	Column (e)	Column (f)	Total
Reading Company (Line 8).....	\$ 24	\$ 27	\$ 51
East Pennsylvania Railroad Co.			1
Port Reading Railroad Co.			6
Wilmington & Northern Railroad Co.			2
Total Account No. 8			\$ 60

Footnotes Pertaining to Schedules 515 and 516:

Schedule 515 - Line 24 \$ 21
 Schedule 516 - Line 20 Cols. (d) & (h) 15
 Butt Weld cost for Ribbon Rail 233
 Miscellaneous Adjustments 111 Cr.
\$158

I.C.C. Schedule 211:

	Column (e)	Column (f)	Total
Reading Company (Line 9)	\$128	\$12	\$140
East Pennsylvania Railroad Co.			1
Port Reading Railroad Co.			6
Wilmington & Northern Railroad Co.			11
Total Account No. 9			\$158

515. RAILS LAID IN REPLACEMENT

Give particulars of all rails applied during the year in connection with replacement of rails in previously constructed tracks maintained by the respondent.

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

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

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

The returns in columns (d) and (h) should include the cost of loading at the point of purchase ready for shipment, the freight charges paid foreign

lines, and the cost of handling rails in general supply and storage yards. The cost of unloading, hauling over carrier's own lines, and placing the rails in tracks, and of train service in connection with the distribution of the rails, should not be included in this schedule.

The sum of entries on lines 22, 23, and 24 should equal the total of columns (d) and (h).

Any material difference between the return on line 23 and the charge to operating expense account No. 214, or between the sum of charges to additions and betterments shown in schedules Nos. 515 and 516 and the related charge to investment account No. 9, should be explained in a footnote.

(Dollars in thousands)

Line No.	Class of rail (a)	RAIL APPLIED IN RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				RAIL APPLIED IN YARD, STATION, TEAM, INDUSTRY, AND OTHER SWITCHING TRACKS			
		Weight of Rail		Total cost of rail applied in running tracks, passing tracks, cross-overs, etc., during year (d)	Average cost per ton (2,000 lb.) (e)	Weight of Rail		Total cost of rail applied in yard, station, team, industry, and other switching tracks during year (h)	Average cost per ton (2,000 lb.) (i)
		Pounds per yard of rail (b)	Number of tons (2,000 lb.) (c)			Pounds per yard of rail (f)	Number of tons (2,000 lb.) (g)		
1	2	130	1 447	\$ 265	\$ 183 14				
2									
3	2	130	3	1	244 67				
4									
5	2	140	3	1	262 33				
6									
7	4	130	835	40	47 90	130	353	17	48 16
8									
9									
10									
11									
12									
13									
14									
15									
16	2-		453	267					
17	4-		835	40					
18									
19									
20	Total	X X X X	2 288	307	134 18	X X X X	353	17	48 16

(Dollars in thousands)

21	Number of tons (2,000 lb.) of relays and scrap rail taken up	2,870	
22	Salvage value of rails released	\$ 37	
23	Amount chargeable to operating expenses	\$ 266	
24	Amount chargeable to additions and betterments	\$ 21	
25	Miles of new rails laid in replacement (all classes of tracks) +	11.18	(rail-miles)
26	Miles of new and second-hand rails laid in replacement (all classes of tracks) +	23.08	(rail-miles)
27	Average weight per yard of new rails laid in replacement (running, passing, and cross-over tracks, etc.) *	130	(pounds)
28	Tons of rail sold as scrap and amount received	6,148	(tons of 2,000 lb.); \$ 326
29	Track-miles of welded rail installed this year	41.60	; total to date 271.30

*Classes 1, 2, and 3 rails—Reduce tonnage in columns (c) and (g) to pounds, divide each result by the respective pounds per yard to obtain the number of yards of each weight of new rail laid in all classes of tracks; divide the total number of yards of new rails laid in all classes of tracks by 1,760, state the quotient with two decimal places.

†Classes 1, 2, 3, and 4 rails—Reduce tonnage in columns (c) and (g) to pounds, divide each result by the respective pounds per yard to obtain the number of yards of each weight of new and second-hand rail laid in all classes of tracks; divide the total number of yards of new and second-hand rails laid in all classes of tracks by 1,760, state the quotient with two decimal places.

*Classes 1, 2, and 3 rails—Reduce tonnage in column (c) to pounds, divide each result by the respective pounds per yard to obtain the number of yards of each weight of new rail laid in running, passing, and cross-over tracks, etc.; divide the total number of pounds of new rails laid in running tracks, etc., by the total number of yards of new rails laid in such tracks.

Line 23 \$266
Build Up Rail Ends 72
Miscellaneous 7
Total Account No. 214 \$345

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

Give particulars of rails applied during the year in the construction of new tracks, following the instructions given in the preceding schedule, so far as applicable. (Dollars in thousands)

Line No.	Class of rail (a)	RAIL APPLIED IN RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.					RAIL APPLIED IN YARD, STATION, TEAM, INDUSTRY, AND OTHER SWITCHING TRACKS				
		Weight of Rail		Total cost of rail applied in running tracks, passing tracks, cross-overs, etc., during year (d)	Average cost per ton (2,000 lb.) (e)		Weight of Rail		Total cost of rail applied in yard, station, team, industry, and other switching tracks during year (h)	Average cost per ton (2,000 lb.) (i)	
		Pounds per yard of rail (b)	Number of tons (2,000 lb.) (c)				Pounds per yard of rail (f)	Number of tons (2,000 lb.) (g)			
1	2	130	22	\$ 4	\$ 174	23	130	39	\$ 7	\$ 173	56
2											
3	4	130	35	2	49	89	130	36	2	49	89
4											
5	4						140	11	1	49	45
6											
7											
8											
9											
10											
11											
12		2-	22	4				39	7		
13		4	35	2				47	3		
14											
15											
16	Total	XXX	57	6	97	88	XXX	86	10	105	92
17	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which rails were laid <u>1.50</u>										
18	Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid <u>1.00</u>										

517. GAUGE OF TRACK AND WEIGHT OF RAIL

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

4 feet 8-1/2 inches, show the gauge of each part in column (d). Road and track occupied under trackage right or other form of license should not be included herein, but all road and track held under any form of lease (granting exclusive possession to the lessee) should be included.

Line No.	Weight of rails per yard (a)	Line-haul companies (miles of main track) (b)	Switching and terminal companies (miles of all tracks) (c)	Remarks (d)
	Pounds			
1	159	29		
2	140	300	27	
3	132	32		
4	131	225	96	
5	130	767	94	
6	100	146	60	
7	90	111	80	
8	79	24		
9	76	1	49	
10	70	3	09	
11	Order			
12	86	22		
13	141	4	42	
14	159	4	03	
15	174	50		
16	1	567	17	

531. STATISTICS OF RAIL-LINE OPERATIONS (See Page 117 for Instructions)

Line No.	Item (a)	Freight trains (b)			Passenger trains (c)			Total transportation service (d)		
1	Average mileage of road operated (State in whole numbers)		1	164			337		1	165
	Train-Miles									
2	Diesel locomotives	2	278	120		29	972	2	308	092
3	Other locomotives									
4	Total locomotives	2	278	120		29	972	2	308	092
5	Motorcars				2	818	118	2	818	118
6	Total train-miles	2	278	120	2	848	090	5	126	210
	Locomotive Unit-Miles									
7	Road service	5	296	228		59	944	5	356	172
8	Train switching		997	164					997	164
9	Yard switching	2	271	488		85	464	2	356	952
10	Total locomotive unit-miles	8	564	880		145	408	8	710	288
	Car-Miles									
11	Total motorcar car-miles				6	993	632	6	993	632
12	Loaded time-mileage freight cars	72	751	731				72	751	731
13	Loaded other freight cars		247	263					247	263
14	Empty time-mileage freight cars	56	814	398				56	814	398
15	Empty other freight cars		66	155					66	155
16	Caboose	1	537	697				1	537	697
17	Total freight car-miles (lines 12, 13, 14, 15 and 16)	131	417	244				131	417	244
18	Passenger coaches					151	009		151	009
19	Combination passenger cars (mail, express, or baggage, etc., with passenger)									
20	Sleeping and parlor cars									
21	Dining, grill and tavern cars									
22	Head-end cars									
23	Total (lines 18, 19, 20, 21, and 22)					151	009		151	009
24	Business cars									
25	Crew cars (other than caboose)									
26	Grand total car-miles (lines 11, 17, 23, 24 and 25)	131	417	244	7	144	641	138	561	885
	Gross Ton-Miles and Train-Hours in Road Service									
27	Gross ton-miles of locomotives and tenders (thousands)		682	747		3	895		686	642
28	Gross ton-miles of freight-train cars, contents, and cabooses (thousands)	7	045	938			-	7	045	938
29	Gross ton-miles of passenger-train cars and contents (thousands)		1	785		455	700		457	485
30	Train-hours—Total		175	023		87	749		262	772
	Revenue and Nonrevenue Freight Traffic									
31	Tons of revenue freight	XX	XX	XX	XX	XX	XX	X	41	639 175
32	Tons of nonrevenue freight	XX	XX	XX	XX	XX	XX		153	208
33	Total tons revenue and nonrevenue freight	XX	XX	XX	XX	XX	XX		41	792 383
34	Ton-miles—Revenue freight in road service (thousands)	XX	XX	XX	XX	XX	XX	X	3	748 585
35	Ton-miles—Revenue freight in lake transfer service (thousands)	XX	XX	XX	XX	XX	XX			
36	Total ton-miles—Revenue freight (thousands)	XX	XX	XX	XX	XX	XX		3	748 585
37	Ton-miles—Nonrevenue freight in road service (thousands)	XX	XX	XX	XX	XX	XX		12	937
38	Ton-miles—Nonrevenue freight in lake transfer service (thousands)	XX	XX	XX	XX	XX	XX			
39	Total ton-miles—Nonrevenue freight (thousands)	XX	XX	XX	XX	XX	XX		12	937
40	Net ton-miles of freight—Revenue and nonrevenue (thousands)	3	761	522				3	761	522
	Revenue Passenger Traffic									
41	Passengers carried—Total	XX	XX	XX	XX	XX	XX		12	583 369
42	Passenger-miles—Total	XX	XX	XX	XX	XX	XX		181	538 466
	Train-Miles Work Trains									
43	Locomotives								140	813
44	Motorcars									
45	Total								140	813

INSTRUCTIONS CONCERNING SCHEDULE 531 ON PAGE 116

1. Give the various statistical items called for concerning the rail-line operations of respondent's road during the year. Train-miles, car-miles and other particulars are to be reported in accordance with the classification of train-miles and car-miles prescribed in the Uniform System of Accounts for Railroad Companies (Mileage Accounts 800 to 805 and 820 to 825). Locomotive unit-miles should include all miles made by each locomotive unit.

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

3. Item No. 1 includes miles of road operated under trackage rights.

4. For gross ton-miles compute from conductors' or dispatchers' train reports weight in tons (2,000 pounds). Line 27 includes weight of all locomotive units moved one mile in transportation trains. Ton-miles of motorcars should be excluded. Lines 28 and 29 represent tons behind locomotive units (cars and contents, company-service equipment and cabooses) moved one mile in transportation trains. Include ton-miles of exclusive work service equipment and motorcars moving in transportation

trains. Use 150 pounds as the average weight per passenger and four tons as the average weight of contents of each head-end car.

5. Line No. 35 should represent the ton-miles of revenue freight in water transfer service on the Great Lakes involving a rail-line haul, the revenue from which is includible in account No. 101, "Freight." Ton-miles of revenue freight in water transfer service which was moved on the basis of lawful local tariff rates, the revenue from which is creditable to account No. 113, "Water transfers," should be excluded. Line 36, Total ton-miles—Revenue freight, should correspond to the ton-miles reported on Form OS-B, Item 2.

6. For net ton-miles, Line 40, compute from conductors' train reports. This item represents the number of tons of revenue and non-revenue freight moved one mile in transportation trains. Include a reasonable proportion of the weight of exclusive work equipment moved one mile. Include net ton-miles in motorcar trains. Exclude LCL shipments handled in mixed baggage-express cars.

7. The mileage of company service equipment, designed exclusively for work service and moved in transportation trains, should be classed as loaded freight car-miles.

8. Highway vehicle operations should not be included in Schedule 531 but particulars thereof given in a footnote below.

532. SWITCHING AND TERMINAL TRAFFIC AND CAR STATISTICS

(For switching and terminal companies only)

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

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

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

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

NOTES AND REMARKS

561C. COMPENSATION APPLICABLE TO PRIOR YEARS

Show hereunder, for each group of employees, the amount of compensation applicable to prior years, which was paid or is payable under labor awards of the current year or for other reasons. Additional compensation for the current year under labor awards or for other reasons is includible in I.C.C. Wage Statistics Form A and B, "Report of Employees, Service, and Compensation," for the calendar year. 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. Explain the nature of any amounts in excess of \$10,000 included in column (c) in a footnote.

(Dollars in thousands)

Line No.	Group No.	Class of employees (a)	Amount of Compensation			
			Under labor awards (b)	Other back pay (c)	Total (d)	
1	I	Executives, officials, and staff assistants	\$	\$	4	4
2	II	Professional, clerical, and general			18	18
3	III	Maintenance of way and structures			132	132
4	IV	Maintenance of equipment and stores			675	675
5	V	Transportation (other than train, engine, and yard)			15	15
6	VI (a)	Transportation (yardmasters, switch tenders, and hostlers)			8	8
7	VI (b)	Transportation (train and engine service)		1 002	1 002	1 002
8		Total		1 854	1 854	1 854

9 Amount of foregoing compensation that is chargeable to operating expenses: \$ 1,854

* Contract settlement with the following Unions:

1. Brotherhood of Locomotive Engineers.
2. Brotherhood of Railway, Airline, Steamship Clerks.
3. Brotherhood of Maintenance of Way Employees.
4. Railway Patrolmen International Union.
5. American Train Dispatchers Association.
6. Order of Telegrapher Union.
7. United Transportation Union.
8. Brotherhood of Railway Signalmen.
9. Master Mates and Pilots.
10. National Maritime Union.
11. International Brotherhood Firemen & Oilers, Helpers, Roundhouse & Shop Laborers.
12. Sheet Metal Workers, District Council #78.
13. International Association of Machinists & Aerospace Workers.
14. International Brotherhood Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers.
15. International Brotherhood of Electrical Workers.
16. Brotherhood Railway Carmen of the U.S. & Canada.
17. System Federation No. 109 (Governing Foremen).

NOTES AND REMARKS

Schedule 581, Cont'd from Page 127:

1. (k) Agreement dated June 14, 1973, between Richardson Dilworth and Andrew L. Lewis, Jr., Trustees of the property of Reading Company, Debtor, and Southeastern Pennsylvania Transportation Authority (SEPTA), supplementing Agreement dated July 1, 1971, between SEPTA and Reading Company, providing for continuation and improvements of mass transportation passenger service on lines of Debtor in the Philadelphia Metropolitan Area for the period July 1, 1973 to June 30, 1974. Payment to the Trustees pursuant to the foregoing Agreement are \$725,000 per month, for a total of \$8,700,000.
1. (k) Agreement dated August 17, 1973 between the United States of America through the Federal Railroad Administrator of the Department of Transportation and Richardson Dilworth and Andrew L. Lewis, Jr., Trustees of the property of Reading Company, Debtor. Trustees agree to borrow amounts not exceeding \$1,577,735 in total aggregate principal amount to be evidenced by promissory notes. Each note shall bear interest from date of issue at the rate of 5 1/2%. The loan shall be repaid on the basis of a 20 year amortization period commencing on date of the first note. Payment of principal and interest shall be made semi-annually, the first payment to be made in 1975.
1. (k) Agreement dated October 1, 1973, between Richardson Dilworth and Andrew L. Lewis, Jr., Trustees of the property of Reading Company, Debtor, and the United States of America acting through the Department of Justice (Government).
The Government agrees to arrange for the sale to the Trustees of 57 Diesel Railroad Locomotives for the appraised value of \$4,801,550, free and clear of the liens and security interests arising under Reading Company Equipment Trust Series "AA", dated as of July 1, 1963, issued as collateral for the \$30,000,000 collateral notes of Reading Company under Collateral Trust Agreement dated as of July 1, 1963.
The Trustees agree to pay to the Government, prior to the termination of the instant reorganization proceedings: (a) \$4,801,550 plus interest thereon at the annual rate of 6 1/2% from January 1, 1972, and (b) the dividends on the Certificates due January 1, 1972, in the amount of \$321,750, issued under the said Equipment Trust Agreement.

562. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

1. In columns (a) and (b) enter the name and position of each of the five persons named in Schedules 102 and 103 of this report to whom the respondent paid the largest amount during the year as compensation for current or past service over and above necessary expenses incurred in discharge of duties. In addition, list all other officers, directors, pensioners or employees, if any, to whom the respondent paid \$40,000 or more in total compensation during the year.

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

3. If an officer, director, etc., receives compensation from one or more of the affiliated companies listed in Schedule 104, reference to this fact should be made if the aggregate compensation from all companies amounts to \$40,000 or more. The detail as to division of the compensation should be reported in schedule 564.

4. Other compensation to be entered in column (d) includes, but is not limited to, commissions; bonuses; shares in profits; contingent compensation; moneys paid, set aside or accrued pursuant to any pension, retirement, savings, deferred compensation, or similar plan including premiums paid for retirement annuities, or life insurance where the respondent is not the beneficiary (Premiums on group life insurance for benefits less than \$50,000 need not be reported.), or any other arrangement which constitutes a form of compensation. Give the details of any plan not previously reported, the basis of determining the ultimate benefits payable, and the payments or provisions made during the year.

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

Line No.	Name of person (a)	Position of Title (b)	Salary per annum as of close of year (see instructions) (c)	Other compensation during the year (d)
1	Charles E. Bertrand	President and Chief Executive Officer	\$ 66	None
2	A. W. Hesse, Jr. #	Vice President-Law	48	None
3	J. R. Greene	Vice President-Finance	42	None
4	Oscar P. Benjamin	Vice President-Traffic	42	None
5	F. J. May	Vice President-Operation and Maintenance	42	None
6	Paid by respondent through billing by Baltimore and Ohio Railroad Company, which includes Mr. Greene on its payroll.			
7	# This officer was also an officer of the Lessees-Ironton Railroad. The salary of this officer was paid by Reading Company, which, in turn, rendered bills against the Lessees-Ironton Railroad for its proportion. During the year 1973, bills were rendered for proportion of joint officers' salaries, as follows:			
8	A. W. Hesse, Jr. - \$600.00.			
9	(a) Salary increased Aug. 1, 1973 from \$46,455.00.			
10	(b) Salary increased Aug. 1, 1973 from \$40,452.00.			
11	(c) Salary increased Aug. 1, 1973 from \$40,452.00.			
12	(d) Salary increased Apr. 1, 1973 from \$38,000.00:			
13	Aug. 1, 1973 from \$40,452.00.			
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563. PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES AND AFFILIATES

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

(a) Payments to employees of the respondent shall be reported in Schedule 562.

(b) Payments for services rendered by affiliates shall be reported in Schedule 564.

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

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

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

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

Specify: Yes No X

5. To be included are, among others, payments, directly or indirectly, for legal, medical, engineering, advertising, valuation, accounting, statistical, financial, educational, entertainment, charitable, advisory, defensive, detective, developmental, research, appraisal, registration, purchasing, architectural, and hospital services; payments for expert testimony and for handling wage disputes; and payments for services of banks, bankers, trust companies, insurance companies, brokers, trustees, promoters, solicitors, consultants, actuaries, investigators, inspectors, and efficiency engineers. Payments to the various railroad associations, commissions, committees, bureaus, boards, and other organizations maintained jointly by railroads shall also be included. The 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 \$50,000 or more to organizations maintained jointly by railroads with other railroads are not to be excluded even if their services are regarded as routine.

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

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

(Dollars in thousands)

Line No.	Name of recipient (a)	Description of service (b)	Amount of payment (c)
1	Ace Shifting Co.	Towing	\$ 68
2	Alexander & Alexander	Insurance	988
3	Associated Hospital Service	Medical Coverage	151
4	Automation Industries, Inc.	Rail Testing	51
5	R. H. Bogle Co.	Weed & Brush Control	80
6	J. E. Brennenman Co.	Repairing Piers	72
7	Casco Services, Inc.	Pick-up & Delivery of Trailers	87
8	Congress Inc.	Lodging for Train Crews	56
9	E.W. Coslett & Sons, Inc.	Stevedoring & Trimming of Coal	210
10	Fruit Growers Express Co.	Inspection of Mechanical Equipment	64
11	Robert Hawthorne, Inc.	Hauling at Piers	133
12	Hulcher Emergency RR Serv. Inc.	Clearing Wrecks	75
13	Lewis Rail Service Co.	Track Maintenance	189
14	J.A. McCarthy, Inc.	Stevedoring	52
15	Morgan, Lewis & Bockius, Inc.	Legal	153
16	N.M.U. Pension & Welfare	Pension Payments	60
17	W.V. Pangborne & Co., Inc.	Contractual Electrical Construction	194
18	Prestige Welders, Inc.	Welding on Bridges and Ore Cranes	133
19	Provident Life & Accident Insurance Co.	Insurance for Shop Craft and Signal Employees	73
21	Reading Company Y.M.C.A.	Food Furnished Relief Trains and Lodging for Employees	66
23	R.H. Snyder Associates, Inc.	Fuel Oil Conversion-Port Reading, N.J.	119
24	Frank Speno Railroad		
25	Ballast Cleaning Co.	Ballast Maintenance	50
26	Trailer Co. of Reading	Trailer Repairs	113
27	Travelers Insurance Co.	Medical Coverage	3 195
28	Leroy Roofing Co.	Repairing Roof-Reading Loco. Shop	109

**564. TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT
FOR SERVICES RECEIVED OR PROVIDED**

1. Furnish the information called for below concerning each contract, agreement or arrangement (written or unwritten) in effect at any time during the year between the respondent and the affiliated companies listed in Schedule 104, or persons affiliated with the respondent including officers, directors, stockholders, owners, partners or their wives and other close relatives, or their agents. Examples of transactions are, but not restricted to, management, legal, accounting, purchasing or other type of service including the furnishing of materials, supplies, purchase of equipment, leasing of structures, land and equipment, and agreements relating to allocation of officers salaries and other common costs between affiliated companies.

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

- (a) Lawful tariff charges for transportation services.
- (b) Payments to or from other railroads for interline services and interchange of equipment.
- (c) Payments to or from other railroads for services which may reasonably be regarded as ordinarily connected with routine operation, maintenance, or construction of a railroad, but any special or unusual transactions should be reported.
- (d) Agreements relating to allocation of Federal income taxes between affiliated companies should be reported in Schedule 353 (p. 85).
- (e) Agreements relating to joint pension plans with affiliated companies should be reported in explanatory notes section of Schedule 200 (p. 13).

2. In column (a) enter the name of the affiliated company, person, or agent with which respondent received or provided services aggregating \$30,000 or more for the year. If an affiliated company provides services to more than one affiliate, and the aggregate compensation amounts to \$30,000 or more for the year, list all the affiliates included in the agreement and describe the allocation of charges in column (d). If the respondent provides services to more than one affiliate, and the aggregate compensation amounts to \$30,000 or more for the year, reference to this fact should be made and the detail as to the allocation of charges should be stated. For those affiliates providing services to the respondent, also enter in column (a) the percent of affiliate's gross income derived from transactions with respondent.

Attach a balance sheet and income statement for each affiliate with which respondent had reportable transactions during the year. These statements should be prepared on the same accounting

year basis and in conformity with the balance sheet and income statement in annual report form A, and should be noted to indicate method of depreciating property, if any, furnished to the respondent. Balance sheet and income statement are not required for affiliated carriers filing annual reports with the Commission.

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

- (a) If respondent directly controls affiliate insert the word "direct".
- (b) If respondent controls through another company insert the word "indirect".
- (c) If respondent is under common control with affiliate insert the word "common".
- (d) If respondent is controlled directly or indirectly by the company listed in column (a) insert the word "controlled".
- (e) If control is exercised by other means such as a management contract or other arrangement of whatever kind insert the word "other" and footnote to describe such arrangements.

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

5. In column (d) fully describe the basis for computing charges under each contract, agreement, etc.

6. In columns (e) and (f) indicate the date and term of each contract or arrangement. If oral contract, indicate with symbol "O".

7. In column (g) report the total amount received, paid, or accrued during the year which is applicable to the year, for each type of service listed in column (c). Indicate purchase items with the symbol "P" and sales items with the symbol "S". Do not report net figures when services are both provided and received between the respondent and an affiliate.

(Dollars in thousands)

Line No.	Name of Company or Individual and percent of gross income from respondent carrier (a)	%	Form of Affiliation (b)	Character of Service (c)	Basis of Charge (d)	Contract		Total Charges for Year	
						Date (e)	Term (f)	(P)(S)	(g)
1	Reading Transportation Company	-	Direct	Principally payments for TOFC Facilities at Phila. Pa., plus Management fees and repairs to Automotive Equipment.	Cost Plus	Various Agreements		(P)	\$ 859
2				Management fees, Trailer Rental, Reimbursement for Loss & Damage, Etc.	Cost Plus			(S)	159
3									
4									
5									
6									
7									
8									
9	(Cont'd on Page 124, Schedule 566A).								

Road initials

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Year 1973

565. OTHER TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT

1. Furnish the information called for below concerning transactions between the respondent and the affiliated companies listed in Schedule 104, or persons affiliated with the respondent including officers, directors, stockholders, owners, partners or their wives and other close relatives, or their agents. Examples of transactions are, but not limited to, purchase, sale or transfer of equipment, land, structure, securities or other assets aggregating \$30,000 in value for the year.

2. In column (a) enter the name of the affiliated company, person, or agent with which respondent transacted purchase, sale or transfer.

3. In column (b) indicate form of affiliation or control between the respondent and company or person identified in column (a) in accord with instruction No. 3 to Schedule 564.

4. In column (c) briefly describe the kind of asset purchased, sold or transferred.

5. In column (d) report the total of all purchases, sales or transfers of property with a value of \$30,000 or more. If individual items are less than that amount, report the total of all purchases or sales with the company or individual named in column (a) when the aggregate of such items is \$30,000 for the year. Indicate purchase items with the symbol "P" and sales items with the symbol "S".

6. In column (e) summarize the book cost, less accrued depreciation if applicable, for each item reported in column (d).

7. In column (f) report the net profit or loss for each item (column (d) less column (e)).

8. Answer all questions at bottom of schedule. (Dollars in thousands)

Line No.	Name of Company or Individual (a)	Form of Affiliation (b)	Description of Item (c)	Sales or Purchase Price (d)	Net Book Value (e)	Gain or (Loss) (f)
1	Rydal Equipment Co.	Direct	Sale of freight cars at scrap value and labor to dismantle	\$ 261 (S)		\$
2			Purchase of scrap from dismantled cars	246 (P)		
3			Lease of 50 70-ton box cars	84 (P)		
4						
5						
6						
7	Port Reading Railroad	Direct	Retirement of Port Reading R.R. 3 3/4% First Mortgage Bonds held by Reading Company	258 (S)		
8						
9						
10						
11	Trenton-Princeton Traction Co.	Direct	Return of Prior Advances by Reading Company	40 (S)		
12						
13						

With respect to the transactions listed above, were any gains or losses incurred by other affiliated companies in the six (6) accounting years preceding this report year on the transfer of the item to the company or individual named in column (a)? Specify. Yes ___ No X If yes, give particulars of prior transaction such as sales price, and gain or loss.

Where any services provided or assets transferred between respondent and affiliated companies or individuals during the year for which no charges were assessed? Specify. Yes ___ No X If yes, explain.

**566 A. TRANSACTIONS BETWEEN NONCARRIER SUBSIDIARIES OF RESPONDENT AND OTHER AFFILIATED COMPANIES OR PERSONS
FOR SERVICES RECEIVED OR PROVIDED**

1. Furnish the information called for below concerning transactions between noncarrier subsidiaries of the respondent and other affiliated companies for services received or provided in accord with instruction No. 1 to Schedule 564.

2. In column (a) enter the name of the noncarrier subsidiary of respondent.

3. In column (b) enter the name of other affiliated company with which the noncarrier subsidiary received or provided services aggregating \$30,000 or more for the year.

4. In column (c) indicate form of affiliation or control between noncarrier subsidiary and other affiliated company identified in column (b) in accord with instruction No. 3 to Schedule 564.

5. In column (d) fully describe the character of service involved such as management fees, lease of building, purchase of material, etc. If more

than one type of service is provided, list each type of service separately. When services are both provided and received between the noncarrier subsidiary and other affiliate they should be listed separately and the amounts shown separately in column (h).

6. In column (e) fully describe the basis for computing charges under each contract, agreement, etc.

7. In columns (f) and (g) indicate the date and term of each contract or arrangement. If oral contract, indicate with symbol "O".

8. In column (h) report the total amount received, paid, or accrued during the year which is applicable to the year, for each type of service listed in column (d). Indicate purchase items with the symbol "P" and sales items with the symbol "S". Do not report net figures when services are both provided and received between the noncarrier subsidiary and other affiliate. (Dollars in thousands)

Line No.	Name of Respondent's Noncarrier Subsidiary Company (a)	Name of Other Affiliated Company (b)	Form of Affiliation (c)	Character of service (d)	Basis of Charge (e)	Contract		Total Charges for Year	
						Date (f)	Term (g)	(P)(S)	(h)
1				NONE				\$	
2									
3									
4	Continued from Page 122, Schedule 564:								
5	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(P)(S)	(h)
6	Pennsylvania-Reading Seashore Lines	-	Common	Management fees, Etc. Cost Plus	Various			(P)	10
7				Management fees, Etc. Cost Plus	Agreements			(S)	116
8									
9	Reading Dispatch, Inc.	-	Direct	Principally recovery Cost Plus of advances for contract work performed.	"			(S)	666
10									
11									
12									
13									
14	Lessees-Ironton Railroad	-	Common	For services rendered for operation, clerical, management and per diem recovery.	Cost Plus	"		(S)	48
15									
16									
17									
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19									
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566 B. OTHER TRANSACTIONS BETWEEN NONCARRIER SUBSIDIARIES OF RESPONDENT AND OTHER AFFILIATED COMPANIES OR PERSONS

1. Furnish the information called for below concerning other transactions between noncarrier subsidiaries of the respondent and other affiliated companies in accord with instruction No. 1 to Schedule 565.

2. In column (a) enter the name of the noncarrier subsidiary of respondent.

3. In column (b) enter the name of other affiliated company with which the noncarrier subsidiary transacted a purchase, sale or transfer of equipment, land, structures, securities or other assets aggregating \$30,000 in value for the year.

4. In column (c) indicate form of affiliation or control between noncarrier subsidiary and other affiliated company identified in column (b) in accord with instruction No. 3 to Schedule 564.

5. In column (d) briefly describe the kind of asset purchased, sold or transferred.

6. In column (e) report the total of all purchases, sales or transfers of property with a value of \$30,000 or more. If individual items are less than that amount, report the total of all purchases or sales when the aggregate of such items is \$30,000 for the year. Indicate purchase items with the symbol "P" and sales items with the symbol "S".

7. In column (f) summarize the book cost, less accrued depreciation if applicable, for each item reported in column (e).

8. In column (g) report the net profit or loss for each item (column (e) less column (f)).

9. Answer all questions at bottom of schedule.
(Dollars in thousands)

Line No.	Name of Respondent's Noncarrier Subsidiary Company (a)	Name of Other Affiliated Company (b)	Form of Affiliation (c)	Description of Item (d)	Sales or Purchase Price (e)	Net Book Value (f)	Gain or (Loss) (g)
1	Ambler Container Co.	Reading Transportation Co.	Indirect	Advance Account	(S) 84		
2				purchase of			
3				Intrastate			
4				operating			
5				rights of			
6				Pittsburgh-			
7				Philadelphia			
8				Transporta-			
9				tion Company.			
10							
11							
12							
13							
14							
15							
16							
17							

With respect to the transactions listed above, were any gains or losses incurred by other affiliated companies in the six (6) accounting years preceding this report year on the transfer of the item to the company or individual named in column (b)? Specify: Yes ☐ No ☒. If yes, give particulars of prior transaction such as sales price, and gain or loss.

Were any services provided or assets transferred between noncarrier subsidiaries of respondent and other affiliated companies or individuals for which no charges were assessed? If so, explain. **No.**

571. CONSUMPTION OF FUEL BY MOTIVE-POWER UNITS

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

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

A. LOCOMOTIVES

Line No.	Kind of locomotive service (a)	Diesel	Electric	Other (Steam, Gas Turbine, Etc.)	
		Diesel oil (gallons) (b)	Kilowatt-hours (c)	Coal (tons) (d)	Fuel oil (gallons) (e)
1	Freight	14,250,546			
2	Passenger	95,987			
3	Yard switching	3,366,914			
4	Total	17,722,447			
5	Work train	215,970			
6	GRAND TOTAL	17,938,417	None	None	None
7	Total cost of fuel*	\$ 2,788	\$ None	\$ None	\$ None

B. RAIL MOTORCARS

Line No.	Kind of locomotive service (f)	Diesel	Electric	Gasoline
		Diesel oil (gallons) (g)	Kilowatt-hours (h)	Gasoline (gallons) (i)
8	Freight			
9	Passenger	520,543	45,492,133	
10	Yard switching		2,393,169	
11	Total	520,543	47,885,302	
12	Work train			
13	GRAND TOTAL	520,543	47,885,302	
14	Total cost of fuel*	\$ 80	\$ 1,576	\$ None

*Show cost of fuel charged to train and yard service (accounts Nos. 382 and 394, for other than electric, and accounts Nos. 383, 384, 395, and 396, for electric). The cost stated for the various kinds of fuel should be the total charges in the accounts specified, including freight charges and handling expenses. The cost stated for electric current should be the total charges in the accounts enumerated. Fuel and power consumed by mixed and special trains that are predominantly freight should be included in freight service, but where the service of mixed or special trains is predominantly passenger, the fuel and power used should be included in passenger service. (Dollars in thousands)

NOTES AND REMARKS

SCHEDULE 563 (Cont'd):

Line No.	Name of recipient (a)	Description of Service (b)	Amount of Payment (c)
29	Association of American R.R.	Membership Assessment	\$ 60
30	Association of Western R.R.	Official Traffic Assn. Rates, Etc.	14
31	Traffic Executive Association-Eastern Railroads	Official Traffic Assn. Rates, Etc.	171
32	Southeastern R.R. Assn. Bureau	Membership Assessment	5
33	Obermayer, Rebmann, Maxwell & Hippie	Legal	55
34	Day & Zimmerman	Valuation Study	57
35	White & Williams	Legal	144

581. CONTRACTS, AGREEMENTS, ETC.

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

- (a) Express companies.
- (b) Mail.
- (c) Sleeping, parlor, and dining-car companies.
- (d) Freight or transportation companies or lines.
- (e) Other railway companies.
- (f) Steamboat or steamship companies.
- (g) Telegraph companies.
- (h) Telephone companies.
- (i) Equipment purchased under conditional sales contracts.
- (j) Routing traffic of affiliated companies.
- (k) Other contracts.

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

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

of units of each class of equipment covered, and the terms and conditions of payment.

4. Under item 1(j) give particulars of arrangements, written or oral with affiliated companies for routing of traffic. Through route arrangements for handling of traffic interchanged with carrier affiliates should not be reported.

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

6. Information concerning contracts of minor importance may be omitted. A contract of minor importance is defined as one involving receipts or payments of less than \$25,000 per year, and which, by its terms, is otherwise unimportant.

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

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

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

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

1. (i) Chattel Mortgage Security Agreement dated June 4, 1973 between American Bank and Trust Company of Pennsylvania and Richardson Dilworth and Andrew L. Lewis, Jr., Trustees of the property of Reading Company, Debtor, whereby the Trustees borrowed \$402,543 payable in 20 consecutive quarterly installments (Plus Interest) beginning October 1, 1973 with interest at 9 1/2%, for the purpose of purchasing 26 units of Maintenance of Way Equipment which was pledged to secure this loan.
1. (i) Lease agreement dated May 15, 1973 for harness equipment to secure lading on 21 flat cars between Richardson Dilworth and Andrew L. Lewis, Jr., Trustees of the property of Reading Company, Debtor, as Lessee and Radnor Associates, Ltd., Lessor. Lessee agrees to pay rental in 20 consecutive quarterly installments of \$6,640.47 commencing October 3, 1973 for a total base rental of \$132,809.40. Lessors original cost for the equipment is \$113,817.
1. (i) Lease agreement dated October 23, 1973 for 30 Diesel Electric Locomotives between the First Pennsylvania Banking and Trust Company, as Trustee, and Richardson Dilworth and Andrew L. Lewis, Jr., Trustees of the property of Reading Company, Debtor, as Lessee. Lessee agrees to pay rental in 60 consecutive quarterly payments on a base rental of \$9,699,060.44 with one interim payment of \$211,052.14 on January 1, 1974 and 59 equal payments of \$160,813.70 commencing on April 1, 1974. Lessors original cost for the equipment is \$6,143,132.15. Lessee is also guarantor, as shown in Schedule 110, of purchaser's (Lessee) obligations under a conditional sale agreement of the same date with General Motors Corporation, for the 30 locomotives.

(Cont'd on Page 119).

591. CHANGES DURING THE YEAR

Hereunder state the matters called for. Make the statements explicit and precise, and number them in accordance with the inquiries; each inquiry should be fully answered, and if the word "none" truly states the fact it may be used in answering any particular inquiry. Changes in mileage should be reported by classes and stated to the nearest hundredth of a mile.

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

(Class 1) Line owned by respondent.

(Class 2) Line owned by proprietary companies.

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

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

(Class 5) Line operated under trackage rights.

2. For changes in miles of road, give dates of beginning or abandonment of operations. If any changes reportable in this schedule occurred

under authority granted by the Commission in certificates of convenience and necessity, issued under paragraphs (18) to (22) of section 1 of the Interstate Commerce Act or otherwise, specific reference to such authority should in each case be made by docket number or otherwise, as may be appropriate.

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

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

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

INCREASES IN MILEAGE

Line No.	Class (a)	Main (M) or branch (B) line (b)	Running Tracks, Passing Tracks, Cross-Overs, Etc.				Miles of way switching tracks (g)	Miles of yard switching tracks (h)	Total (i)	Remarks (j)
			Miles of road (c)	Miles of second main track (d)	Miles of all other main tracks (e)	Miles of passing tracks, cross-overs and turn-outs (f)				
1	3A	M				10	20		30	
2	3B	M					01		01	
3	5	B	02						02	
4										
5										
6										
7										
8										
9										
10										
11										
12										
13	Total Increase		02			10	21		33	

DECREASES IN MILEAGE

14	1	M	04		1 70	33	1 21	6 92	10 20	
15	1	B	6 59			26	2 12	91	9 88	
16	1J	B	28			09		20	57	
17	3A	M						6 76	6 76	
18	3B	M				32			32	
19										
20										
21										
22										
23										
24										
25	Total Decrease		6 91		1 70	1 00	3 33	14 79	27 73	

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

Owned by respondent:

Miles of road constructed None Miles of road abandoned 6.91

Owned by proprietary companies:

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.

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

400. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION

This schedule should be completed by carriers participating in the National Railroad Passenger Corporation (NRPC) agreement, as required by order of the Commission, January 30, 1973, No. 35344 (Sub-NO. 3). Classify by accounts the amounts credited for remunerations for intercity

passenger service performed by respondent on behalf of NRPC. All contra entries should be indicated in parenthesis.

(Dollars in thousands.)

Line No.	Name of Account (a)	Amount (b)
	Maintenance of Way and Structures	\$
1	201 Superintendence	
2	202 Roadway Maintenance	
3	206 Tunnels and Subways	
4	208 Bridges, Trestles and Culverts	
5	210 Elevated Structures	
6	212 Ties	
7	214 Rails	
8	216 Other Track Material	
9	218 Ballast	
10	220 Track Laying and Surfacing	
11	221 Fences, Snowsheds and Signs	
12	227 Station and Office Buildings	
13	229 Roadway Buildings	None
14	231 Water Stations	
15	233 Fuel Stations	
16	235 Shops and Enginehouses	
17	247 Communication Systems	
18	249 Signals and Interlockers	
19	253 Power Plants	
20	257 Power-transmission Systems	
21	265 Miscellaneous Structures	
22	269 Roadway Machines	
23	271 Small Tools and Supplies	
24	272 Removing Snow, Ice and Sand	
25	273 Public Improvements; Maintenance	
26	274 Injuries to Persons	
27	276 Stationery and Printing	
28	277 Employees Health and Welfare Benefits	
29	278 Maintaining Joint Tracks, Yards and Other Facilities - Dr.	
30	279 Maintaining Joint Tracks, Yards and Other Facilities - Cr.	
31	281 Right-of-way Expenses	
32	282 Other Expenses	
33	Total	
	Maintenance of Equipment	
34	301 Superintendence	
35	302 Shop Machinery	
36	304 Power-plant Machinery	
37	305 Shop and Power-plant Machinery; Depreciation	
38	311 Locomotives; Repairs	
39	317 Passenger-train Cars; Repairs	None
40	326 Work Equipment; Repairs	
41	328 Miscellaneous Equipment; Repairs	
42	331 Equipment; Depreciation	
43	332 Injuries to Persons	
44	334 Stationery and Printing	
45	335 Employees Health and Welfare Benefits	

600. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION - Continued

Line No.	Name of Account (a)	Amount (b)
	Maintenance of Equipment—Continued	\$
46	336 Joint Maintenance of Equipment Expenses - Dr.	
47	337 Joint Maintenance of Equipment Expenses - Cr.	
48	339 Other Expenses	None
49	Total	
	Traffic	
50	351 Superintendence	
51	352 Outside Agencies	
52	353 Advertising	
53	354 Traffic Associations	
54	358 Stationery and Printing	None
55	359 Employees Health and Welfare Benefits	
56	360 Other Expenses	
57	Total	
	Transportation	
58	371 Superintendence	
59	372 Dispatching Trains	
60	373 Station Employees	
61	376 Station Supplies and Expenses	
62	377 Yardmasters and Yard Clerks	
63	378 Yard Conductors and Brakemen	
64	379 Yard Switch and Signal Tenders	
65	380 Yard Enginemen	
66	382 Yard Switching Fuel	
67	383 Yard Switching Power Produced	
68	384 Yard Switching Power Purchased	
69	388 Servicing Yard Locomotives	
70	389 Yard Supplies and Expenses	
71	390 Operating Joint Yards and Terminals - Dr.	
72	391 Operating Joint Yards and Terminals - Cr.	
73	392 Train Enginemen	
74	394 Train Fuel	
75	395 Train Power Produced	None
76	396 Train Power Purchased	
77	402 Servicing Train Locomotives	
78	401 Trainmen	
79	402 Train Supplies and Expenses	
80	403 Operating Sleeping Cars	
81	404 Signal and Interlocker Operation	
82	405 Crossing Protection	
83	406 Drawbridge Operation	
84	407 Communication System Operation	
85	409 Employees Health and Welfare Benefits	
86	410 Stationery and Printing	
87	411 Other Expenses	
88	412 Operating Joint Tracks and Facilities - Dr.	
89	413 Operating Joint Tracks and Facilities - Cr.	
90	415 Clearing Wrecks	
91	420 Injuries to Persons	
92	Total	

600. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION - Continued

Line No.	Name of Account (a)	Amount (b)
	Miscellaneous	\$
93	441 Dining and Buffet Service	
94	447 Operating Joint Miscellaneous Facilities - Dr.	
95	448 Operating Joint Miscellaneous Facilities - Cr.	None
96	449 Employees Health and Welfare Benefits	
97	Total	
	General	
98	451 Salaries and Expenses of General Officers	
99	452 Salaries and Expenses of Clerks and Attendants	
100	453 General Office Supplies and Expenses	
101	454 Law Expenses	
102	456 Employees Health and Welfare Benefits	
103	457 Pensions	None
104	458 Stationery and Printing	
105	460 Other Expenses	
106	461 General Joint Facilities - Dr.	
107	462 General Joint Facilities - Cr.	
108	Total	
	RENTS	
	Rent Income	
109	504 Rent from Locomotives	
110	505 Rent from Passenger-train Cars	
111	507 Rent from Work Equipment	None
112	508 Joint Facility Rent Income	
113	Total Rent Income	
	Rents Payable	
114	537 Rent for Locomotives	
115	538 Rent for Passenger-train Cars	
116	541 Joint Facility Rents	None
117	Total Rents Payable	
118	Net Rents (lines 113, 117)	
119	532 Railway Tax Accruals	
120	Total Remunerations	

REMARKS:

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 PENNSYLVANIA
County of PHILADELPHIA } ss:

T. J. Giblin makes oath and says that he is Comptroller
(Insert here the name of the affiant) (Insert here the official title of the affiant)

Richardson Dilworth and Andrew L. Lewis, Jr., Trustees,
of READING COMPANY, (Andrew L. Lewis, Jr., Surviving Trustee)

(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, 1973 and including December 31, 1973.

Subscribed and sworn to before me, a Notary Public, in and for the State and county above named,
this 28th day of March, 1974.
My commission expires January 4, 1978

(Signature of affiant)

Use an
I.S.
impression seal

(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of PENNSYLVANIA
County of PHILADELPHIA } ss:

C. E. Bertrand makes oath and says that he is President
(Insert here the name of the affiant) (Insert here the official title of the affiant)

Richardson Dilworth and Andrew L. Lewis, Jr., Trustees,
of READING COMPANY, (Andrew L. Lewis, Jr., Surviving Trustee)

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

that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent and the operations of its property during the period of time from and including Jan. 1, 1973 to and including Dec. 31, 1973.

Subscribed and sworn to before me, a Notary Public, in and for the state and county above named,
this 28th day of March, 1974.
My commission expires January 4, 1978.

(Signature of affiant)

Use an
I.S.
impression seal

(Signature of officer authorized to administer oaths)

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ANNUAL REPORT 1973
READING CO.

1 OF 2

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RAIL E

annual report

INTERSTATE
COMMERCE COMMISSION
RECEIVED

MAR 31 1974

ADMINISTRATIVE SERVICES
MAIL BRANCH

LESSORS OF READING COMPANY:
EAST PENNSYLVANIA RAILROAD COMPANY
PORT READING RAILROAD COMPANY
WILMINGTON & NORTHERN RAILROAD COMPANY

125100100READINGCO^^ 1
READING CO - LESSORS
READING TERMINAL
12TH & MARKET STS
PHILADELPHIA, PA, 19107

418501

CL12LESS

Correct name and address if different than shown.

Full name and address of reporting carrier.
(Use mailing label on original, copy in full on duplicate.)



to the
Interstate Commerce Commission

FOR THE YEAR ENDED DECEMBER 31, 1973

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 this section to be filed, * * * or shall knowingly or willfully file with the Commission any false report or other document, shall be deemed guilty of a misdemeanor and shall be subject, upon conviction in any court of the United States of competent jurisdiction to a fine of not more than five thousand dollars or imprisonment for not more than two years, or both such fine and imprisonment: * * *

(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, * * *.

Each 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 108, page 2.

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 parenthesis. Items of an unusual character should be indicated by appropriate symbol and footnote.

Money items (except averages) throughout this 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 supplied.

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.

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 each 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 the case the report is made for a shorter period than one year, it means the close of the period covered by the report. The beginning of the year means the beginning of business on January 1 of the year for which the report is made; or, in case the report is made for a shorter period than one year, it means the beginning of the period covered by the report. The preceding year means the year ended December 31 of the year next preceding the year for which the report is made. The Uniform System of Accounts for Railroad Companies means the system of accounts in Part 1201 of Title 49, Code of Federal Regulations, as amended.

FOR THE INDEX SEE THE INSIDE OF BACK COVER

See also "Instructions regarding the use of this report form" on page 1

ANNUAL REPORT

OF

LESSORS OF

READING COMPANY

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1973

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

(Name) T. J. GIBLIN (Title) COMPTROLLER
(Telephone number) 215 - WA 2-6100 Bxt. 500
(Area code) (Telephone number)
(Office address) READING TERMINAL, PHILADELPHIA, PENNSYLVANIA 19107
(Street and number, City, State, and ZIP code)

SPECIAL NOTICE

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

Page 8: Schedule 200A. Comparative General Balance Sheet - Assets

Page 10: Schedule 200L. Comparative General Balance Sheet - Liabilities and Shareholders' Equity

Titles of accounts 705 and 752, respectively, have been revised to conform with the Uniform System of Accounts for Railroad Companies.

Provision has been made for reporting comparative data of respective assets included in accounts 731 and 732.

Page 19-27: Schedule 217. Investments in Affiliated Companies

Schedule 218. Other Investments

Schedule 221. Securities, Advances, and Other Intangibles Owned Or Controlled Through Nonreporting Carrier and Noncarrier Subsidiaries

Instructions have been revised to provide for reporting the book value of investments.

Page 62: Schedule 562: Compensation of Officers, Directors, Etc.

Minimum dollar amount has been increased to \$40,000.

INSTRUCTIONS REGARDING THE USE OF THIS REPORT FORM

This annual report is arranged in columnar form so that it may include returns for a single lessor company, or for several lessor companies whose properties are leased to the same operating railway, provided that the books of account are under the general supervision of the same accounting officer.

Separate returns are required to be shown for each lessor, the name of the reporting company to be entered in the box heading or in the column on the left of the several schedules, as may be applicable.

If the report is made for a single company, the exact corporate name should appear on the cover, title page, page 2, and in the oath and supplemental oath.

A report made for a number of lessor companies may show an appropriate designation, such as "Lessors of the

..... Railroad Company" on the cover and title page, but the oath and supplemental oath must be completed for each corporation, except as provided therein.

Reports filed under the designation "Lessors of the

..... Railroad Company" should contain hereunder the names of the lessor companies that are included in this report, and the names of those that file separately.

Names of lessor companies included in this report

East Pennsylvania Railroad Company

The Port Reading Railroad Company

The Wilmington & Northern Railroad Company

Names of lessor companies that file separate reports

The Allentown Terminal Railroad Company *

The Delaware & Bound Brook Railroad Company

The North Pennsylvania Railroad Company

Philadelphia, Germantown & Norristown
Railroad Company

The Plymouth Railroad Company

The Ironton Railroad Company *

* Jointly operated with The Lehigh Valley
Railroad Company.

In completing the various schedules in this report form, list the information concerning the lessor companies in the order in which their names appear on the balance sheet. Such additional pages as may be necessary will be furnished by the Commission on request.

101. IDENTITY OF LESSOR COMPANIES INCLUDED IN THIS REPORT

Give hereunder the exact corporate name and other particulars called for concerning each lessor company included in this report. The corporate name should be given in full, exactly as it appears in the articles of incorporation, using the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between railroad and railway. If receivers, trustees, or a committee of bondholders are in possession of the property of

any of the lessor companies, state their names and the court of jurisdiction in column (a) and give the date when such receivership, trusteeship, or other possession began, in addition to the date of incorporation, in column (b).

If a consolidation or merger was effected during the year, particulars should be given in Schedule 591, "Changes during the year."

Line No.	Exact name of lessor company (a)	INCORPORATION		CORPORATE CONTROL OVER RESPONDENT			Total number of stockholders (f)	Total voting power of all security holders at close of year (g)
		Date of incorporation (b)	Name of State or Territory in which company was incorporated (c)	Name of controlling corporation (d)	Extent of control (percent) (e)			
1	East Pennsylvania Railroad Company	5-26-1856	Penn.	Reading Company	83	121 42	538	
2								
3	The Port Reading Railroad Company	11-05-1890	New Jersey	"	100	1 20	000	
4								
5	The Wilmington & Northern Railroad Co.	4-03-1877	Penn. & Delaware	"	100	11 30	000	
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108. STOCKHOLDERS REPORTS

1. The respondent is required to send to the Bureau of Accounts, immediately upon preparation, two copies of its latest Annual report to stockholders.
Check appropriate box:

☐ Two copies are attached to this report.

☐ Two copies will be submitted _____ (date)

☒ No annual report to stockholders is prepared.

109. STOCKHOLDERS AND VOTING POWERS

1. Give the names of the five security holders who had the highest voting powers in each lessor company included in this report. This information should be given as of the close of the year, or, if not available, at the date of the latest compilation of a list of stockholders. If any holder held the stock in trust, give particulars of the trust in a footnote. In the case of voting trust agreements give, as supplemental information on page 12 the names and addresses of the 30 largest holders of the voting trust certificates and the amount of their individual holdings.

Line No.	Name of lessor company (a)	Name of stockholder (b)	Voting power (c)	Name of stockholder (d)	Voting power (e)	Name of stockholder (f)	Voting power (g)	Name of stockholder (h)	Voting power (i)	Name of stockholder (j)	Voting power (k)
1	East Pennsylvania Railroad Company	Manufacturers Hanover Trust Co.-Trustee	35 313	UNIS & Co.	1 000	Hershey Trust Co.-Trustee for Milton Hershey School	600	Joshua A. Rich	1 023	A.M.Laties	347
2		"	20 000								
3		"	29 962	O.P.Benjamin	5	F.J.May	5	C.E.Bertrand	5	A.W.Hesse, Jr.	5
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* Certificate of unanimous consent executed by all stockholders in lieu of stockholders meeting consenting to the adoption of a resolution covering the election of Directors.

2. Give particulars called for regarding each lessor company included in this report, entering the initials of the lessor companies in the column headings.

INITIALS OF REGISTERED COMPANIES

E. Penn.	Pt. Rdg.	Wilm. & North.
R.R. Co.	R.R. Co.	R.R. Co.
35,313	20,000	30,000
1-11-71	10-8-73	5-7-73
Philadelphia	Philadelphia	Philadelphia

State total number of votes cast at latest general meeting for election of directors of respondent

Give the date of such meeting

Give the place of such meeting

112. DIRECTORS

Give particulars of the various directors of respondents at the close of the year.

Line No.	Name	East Pennsylvania Railroad Company *	The Port Reading Railroad Company	The Wilmington and Northern R.R. Co.
1	Name of director	A. W. Hesse, Jr.	C. E. Bertrand	C. E. Bertrand
2	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
3	Date of beginning of term	January 11, 1971	October 8, 1973	May 7, 1973
4	Date of expiration of term	January 14, 1973	October 14, 1974	May 6, 1974
5	Name of director	S. F. Hinkle, C/o Hershey	J. R. Greene	J. R. Greene
6	Office address	Choc. Co., Hershey, Pa.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
7	Date of beginning of term	January 11, 1971	October 8, 1973	May 7, 1973
8	Date of expiration of term	January 14, 1973	October 14, 1974	May 6, 1974
9	Name of director	H. T. Hallowell, Jr.	A. W. Hesse, Jr.	A. W. Hesse, Jr.
10	Office address	Jenkintown, Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
11	Date of beginning of term	January 11, 1971	October 8, 1973	May 7, 1973
12	Date of expiration of term	January 14, 1973	October 14, 1974	May 6, 1974
13	Name of director	G. J. Raffkind	O. P. Benjamin	F. J. May
14	Office address	New York, N.Y.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
15	Date of beginning of term	January 11, 1971	October 8, 1973	May 7, 1973
16	Date of expiration of term	January 14, 1973	October 14, 1974	May 6, 1974
17	Name of director	J. R. Greene	F. J. May	O. P. Benjamin
18	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
19	Date of beginning of term	January 11, 1971	October 8, 1973	May 7, 1973
20	Date of expiration of term	January 14, 1973	October 14, 1974	May 6, 1974
21	Name of director	O. P. Benjamin		J. E. Frick
22	Office address	Rdg.Trml., Phila., Penn.		Rdg.Trml., Phila., Penn.
23	Date of beginning of term	January 11, 1971		May 7, 1973
24	Date of expiration of term	January 14, 1973		May 6, 1974
25	Name of director	One Vacancy		J. S. Warden
26	Office address			Rdg.Trml., Phila., Penn.
27	Date of beginning of term			May 21, 1973
28	Date of expiration of term			May 6, 1974
29	Name of director	* No meeting of stock-		
30	Office address	holders held since		
31	Date of beginning of term	January 11, 1971.		
32	Date of expiration of term			
33	Name of director			
34	Office address			
35	Date of beginning of term			
36	Date of expiration of term			
37	Name of director			
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53	Name of director			
54	Office address			
55	Date of beginning of term			
56	Date of expiration of term			
57	Name of director			
58	Office address			
59	Date of beginning of term			
60	Date of expiration of term			

112. DIRECTORS--Concluded

Enter the names of the lessor companies in the column headings.

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113. PRINCIPAL GENERAL OFFICERS OF CORPORATION, RECEIVER, OR TRUSTEE

Give particulars of the various general officers of respondents at the close of the year. Enter the names of the lessor companies in the column headings.

Line No.	Item	East Pennsylvania Railroad Company	The Port Reading Railroad Company	The Wilmington and Northern R.R. Co.
1	Name of general officer	C. E. Bertrand	C. E. Bertrand	C. E. Bertrand
2	Title of general officer	President	President	President
3	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
4	Name of general officer	A. M. Arnold	A. W. Hesse, Jr.	A. W. Hesse, Jr.
5	Title of general officer	Secretary & Treasurer	Vice President-Law	Vice President-Law
6	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
7	Name of general officer	O. P. Benjamin	O. P. Benjamin	A. M. Arnold
8	Title of general officer	Vice President-Traffic	Vice President-Traffic	Secretary & Treasurer
9	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
10	Name of general officer	J. R. Greene	A. M. Arnold	O. P. Benjamin
11	Title of general officer	Vice President-Finance	Secretary & Treasurer	Vice President-Traffic
12	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
13	Name of general officer	J. P. Clark	J. R. Greene	J. R. Greene
14	Title of general officer	Director of Real Est.	Vice President-Finance	Vice President-Finance
15	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
16	Name of general officer	A. M. Poletynski	J. P. Clark	J. P. Clark
17	Title of general officer	Asst. Treas. & Asst. Sec.	Director of Real Est.	Director of Real Est.
18	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
19	Name of general officer	A. W. Hesse, Jr.	A. M. Poletynski	A. M. Poletynski
20	Title of general officer	Vice Pres. & Gen. Counsel	Asst. Treas. & Asst. Sec.	Asst. Treas. & Asst. Sec.
21	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
22	Name of general officer	T. J. Giblin	T. J. Giblin	F. J. May
23	Title of general officer	Asst. General Auditor	Comptroller	Vice Pres.-Oper. & Mtc.
24	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
25	Name of general officer		F. J. May	L. W. Fogg, Jr.
26	Title of general officer		Vice Pres.-Oper. & Mtc.	General Counsel
27	Office address		Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
28	Name of general officer		E. C. Lawson	T. J. Giblin
29	Title of general officer		Chief Engineer	Comptroller
30	Office address		Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
31	Name of general officer		L. W. Fogg, Jr.	R. A. Sutherland
32	Title of general officer		General Counsel	Asst. Comptroller
33	Office address		Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
34	Name of general officer		R. A. Sutherland	
35	Title of general officer		Asst. Comptroller	
36	Office address		Rdg.Trml., Phila., Penn.	
37	Name of general officer			
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113. PRINCIPAL GENERAL OFFICERS OF CORPORATION, RECEIVER, OR TRUSTEE—Concluded

If there are receivers, trustees, or committees, who are recognized as in the controlling management of the road, give also their names and titles, and the location of their offices.

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200A. GENERAL BALANCE SHEET—ASSET SIDE

Show hereunder the asset side of the balance sheet at close of year of each lessor company included in this report, entering the names of the lessor companies in the column headings. For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts

Line No.	Account (a)	East Penn. R.R. (b) Co.		Port Reading R.R. (c) Co.		Wilm. & North. R.R. (d) Co.		(e)	
CURRENT ASSETS									
1	(701) Cash.....	\$	299	\$	31 355	\$		\$	
2	(702) Temporary cash investments.....				275 000				
3	(703) Special deposits.....								
4	(704) Loans and notes receivable.....								
5	(705) Traffic, car-service and other balances—Debit.....								
6	(706) Net balance receivable from agents and conductors.....				2 230				
7	(707) Miscellaneous accounts receivable.....								
8	(708) Interest and dividends receivable.....								
9	(709) Accrued accounts receivable.....	55	754			12	402		
10	(710) Working fund advances.....								
11	(711) Prepayments.....								
12	(712) Material and supplies.....								
13	(713) Other current assets.....								
14	Total current assets.....	56	053		308 585	12	536		
SPECIAL FUNDS									
15	(715) Sinking funds.....				3 954 841				
16	(716) Capital and other reserve funds.....								
17	(717) Insurance and other funds.....				3 954 841				
18	Total special funds.....								
INVESTMENTS									
19	(721) Investments in affiliated companies (pp. 20 to 23).....	1	302		688 617		134 507		
20	(722) Other investments (pp. 24 and 25).....								
21	(723) Reserve for adjustment of investment in securities—Credit.....								
22	Total investments (accounts 721, 722 and 723).....	1	302		688 617		134 507		
PROPERTIES									
23	(731) Road and equipment property (pp. 14 and 15):								
24	Road.....	4	648 089	2	798 461	5	767 373		
25	Equipment.....								
26	General expenditures.....	145	356		117 273		279 843		
27	Other elements of investment.....	339	239		704 404	(1	791 784)		
28	Construction work in progress.....								
29	Total road and equipment property.....	4	454 206	3	620 138	4	255 432		
30	(732) Improvements on leased property (pp. 14 and 15):								
31	Road.....				245 625				
32	Equipment.....								
33	General expenditures.....				9 284				
34	Total improvements on leased property.....				254 909				
35	Total transportation property (accounts 731 and 732).....	4	454 206	3	875 047	4	255 432		
36	(735) Accrued depreciation—Road and Equipment.....				226 355		767 883		
37	(736) Amortization of defense projects—Road and Equipment.....								
38	Recorded depreciation and amortization (accounts 735 and 736).....				226 355		767 883		
39	Total transportation property less recorded depreciation and amortization (line 35 less line 36).....	4	454 206	3	648 692	3	487 549		
40	(737) Miscellaneous physical property.....				16 042		459		
41	(738) Accrued depreciation—Miscellaneous physical property.....								
42	Miscellaneous physical property less recorded depreciation.....				16 042		459		
43	Total properties less recorded depreciation and amortization (line 39 plus line 40).....	4	454 206	3	664 734	3	488 008		
OTHER ASSETS AND DEFERRED CHARGES									
44	(741) Other assets.....	481	541		253 235		4 972		
45	(742) Unamortized discount on long-term debt.....								
46	(743) Other deferred charges.....	481	541		253 235		4 972		
47	Total other assets and deferred charges.....	4	993 102	8	870 012	3	640 023		
TOTAL ASSETS									
ITEMS EXCLUDED ABOVE									
The above returns exclude respondent's holdings of its own issues of securities as follows:									
48	(715) Sinking funds.....	None		None		None			
49	(716) Capital and other reserve funds.....								
50	(703) Special deposits.....								
51	(717) Insurance and other funds.....								

200A. GENERAL BALANCE SHEET—ASSET SIDE—Continued

in the Uniform System of Accounts for Railroad Companies. The entries in this schedule should be consistent with those in the supporting schedules on the pages indicated. All contra entries hereunder should be indicated in parenthesis.

(f)		(g)		(h)		(i)		(j)		(k)		Line No.
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200L. GENERAL BALANCE SHEET—LIABILITY SIDE

Show hereunder the liability side of the balance sheet at close of year of each lessor company included in this report, entering the names of the lessor companies in the column headings. 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 schedule should be consistent with those in the supporting schedules on the pages indicated. All contra entries hereunder should be indicated in parenthesis.

Line No.	Account (a)	East Penn. R.R. (b) Co.	Port Reading R.R. (c) Co.	Wilm. & North. R.R. (d) Co.	(e)
CURRENT LIABILITIES					
52	(751) Loans and notes payable.....	\$	\$	\$	\$
53	(752) Traffic, car-service and other balances—Credit.....				
54	(753) Audited accounts and wages payable.....				
55	(754) Miscellaneous accounts payable.....		7 195		
56	(755) Interest matured unpaid.....	20		1 538	
57	(756) Dividends matured unpaid.....	55 505		10 596	
58	(757) Unmatured interest accrued.....				
59	(758) Unmatured dividends declared.....				
60	(759) Accrued accounts payable.....				
61	(760) Federal income taxes accrued.....				
62	(761) Other taxes accrued.....				
63	(762) Other current liabilities.....				
64	Total current liabilities (exclusive of long-term debt due within one year).....	55 525	7 195	12 134	
LONG-TERM DEBT DUE WITHIN ONE YEAR					
65	(764) Equipment obligations and other debt (pp. 34, 35, 36, and 37)				
LONG-TERM DEBT DUE AFTER ONE YEAR					
66	(765) Funded debt unmatured.....		500 000	798 500	
67	(766) Equipment obligations.....				
68	(767) Receivers' and Trustees' securities.....				
69	(768) Debt in default.....				
70	(769) Amounts payable to affiliated companies (pp. 38 and 39).....	2 113 021		61 500	
71	Total long-term debt due after one year.....	2 113 021	500 000	860 000	
RESERVES					
72	(771) Pension and welfare reserves.....				
73	(772) Insurance reserves.....				
74	(774) Casualty and other reserves.....				
75	Total reserves.....				
OTHER LIABILITIES AND DEFERRED CREDITS					
76	(783) Interest in default (p. 36).....		27 076		
77	(782) Other liabilities.....				
78	(784) Unamortized premium on long-term debt.....				
79	(784) Other deferred credits.....				
80	(786) Accrued depreciation—Leased property.....		27 076		
81	Total other liabilities and deferred credits.....		27 076		
SHAREHOLDERS' EQUITY					
<i>Capital stock (Par or stated value)</i>					
82	(791) Capital stock issued:				
83	Common stock (pp. 28 and 29).....	2 126 900	2 000 000	1 500 000	
84	Preferred stock (pp. 28 and 29).....	2 126 900	2 000 000	1 500 000	
85	Total capital stock issued.....	2 126 900	2 000 000	1 500 000	
86	(792) Stock liability for conversion (pp. 30 and 31).....				
87	(793) Discount on capital stock.....	2 126 900	2 000 000	1 500 000	
88	Total capital stock.....	2 126 900	2 000 000	1 500 000	
Capital Surplus					
89	(794) Premiums and assessments on capital stock.....				
90	(795) Paid-in surplus.....				
91	(796) Other capital surplus.....				
92	Total capital surplus.....				
Retained Income					
93	(797) Retained income—Appropriated.....	25 154	822 856		
94	(798) Retained income—Unappropriated (pp. 50 and 51).....	672 502	5 512 885	1 267 889	
95	Total retained income.....	697 656	6 335 741	1 267 889	
96	Total shareholders' equity.....	4 993 102	8 870 012	3 640 023	2,767,889
97	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY.....	4 993 102	8 870 012	3 640 023	2,767,889

200L. GENERAL BALANCE SHEET—LIABILITY SIDE—Continued

On page 18, give an abstract of the provisions of the lease bearing on respondent's liability to reimburse the lessee for improvements made on the leased railroad property. If the leasehold contract contains no such provisions, state that fact.

(f)			(g)			(h)			(i)			(j)			(k)			Line No.
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200L. GENERAL BALANCE SHEET—LIABILITY SIDE—Continued

Line No.	Account (a)	East Penn. R.R. (b) Co.	Port Reading R.R. (c) Co.	Wilm. & North. R.R. (d) Co.	(e)
	The above returns exclude respondent's holdings of its own issues as follows:	\$	\$	\$	\$
98	(765) Funded debt unmatured				
99	(767) Receivers' and trustees' securities				
100	(768) Debt in default				
101	(791) Capital stock				
	SUPPLEMENTARY ITEMS				
	Amount of interest matured unpaid in default for as long as 90 days:				
102	Amount of interest				
103	Amount of principal involved				
104	Investment carried in account No. 712, "Improvements on leased property," on the books of the lessee with respect to respondent's property	57 700	53 350	121 449	

Note: Provision has not been made for Federal income taxes which may be payable in future years as a result of deductions during the period December 31, 1949, to close of the year of this report for accelerated amortization in excess of recorded depreciation. The amounts by which Federal income taxes have been reduced during the indicated period aggregated----- \$ **None**

Estimated accumulated net reduction in Federal income taxes because of accelerated amortization of certain rolling stock since December 31, 1969, under provisions of Section 184 of the Internal Revenue Code----- \$ **None**

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**

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

If carrier elected, as provided in the Revenue Act of 1971, to account for the investment tax credit under the deferral method, indicate the total deferred investment tax credit in account 784. Other deferred credits, beginning of year----- \$ **None**

Add investment tax credits applied to reduction of current year's tax liability but deferred for accounting purposes----- \$ **None**

Deduct deferred portion of prior year's investment tax credit used to reduce current year's tax accrual----- \$ **None**

Other adjustments (indicate nature such as recapture on early disposition)----- \$ **None**

Total deferred investment tax credit in account 784 at close of year----- \$ **None**

200L. GENERAL BALANCE SHEET—LIABILITY SIDE—Concluded

[illegible]

211. 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. Enter the names of the lessor companies in the column headings.

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. This column should also include both the debits and credits involved in each transfer, adjustment, or clearance

between road and equipment accounts and all adjustments applicable to expenditures for new lines and extensions and additions and betterments. Adjustments in excess of \$100,000 should be explained. Net charges is the difference between gross charges and credits for property retired. All changes made during the year should be analyzed by primary accounts.

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

Line No.	Account (a)	East Pennsylvania Railroad Company		Port Reading Railroad Company		Wilmington & Northern Railroad Company	
		Gross charges during year (b)	Net charges during year (c)	Gross charges during year (d)	Net charges during year (e)	Gross charges during year (f)	Net charges during year (g)
1	(1) Engineering	393	332	3 755	(65 461)		(958)
2	(2) Land for transportation purposes				(95 477)		(10 673)
3	(24) Other right-of-way expenditures			266	(228 608)		(4 979)
4	(3) Grading						
5	(5) Tunnels and subways			5 034	(15 307)		
6	(6) Bridges, trestles, and culverts						
7	(7) Elevated structures						
8	(8) Ties	889	794	6 278	(9 102)	1 976	1 976
9	(9) Rails	1 186	911	5 988	(15 155)	10 608	10 608
10	(10) Other track material	2 347	2 218	17 622	(200)		
11	(11) Ballast	15 592	15 575	2 517	769	7 216	7 216
12	(12) Track laying and surfacing	4 594	4 413	29 216	17 387		
13	(13) Fences, snowsheds, and signs				(233)		(128)
14	(16) Station and office buildings				(36 900)		(22 329)
15	(17) Roadway buildings				(3 161)		
16	(18) Water stations						
17	(19) Fuel stations				(343)		
18	(20) Shops and enginehouses				(73 348)		
19	(21) Grain elevators						
20	(22) Storage warehouses						
21	(23) Wharves and docks				(1 327 028)		
22	(24) Coal and ore wharves				(99 401)		
23	(26) TOFC/COFC terminals						
24	(26) Communication systems	(441)	(1 638)	2 774	(6 181)		(32)
25	(27) Signals and interlockers	833	(130)	1 223	202	5 693	5 423
26	(29) Power plants				(63 863)		
27	(31) Power-transmission systems				(74 799)		
28	(33) Miscellaneous structures				(161 940)		
29	(37) Roadway machines						
30	(38) Roadway small tools						
31	(39) Public improvements—Construction	8 256	7 797		(6 003)		(1 718)
32	(43) Other expenditures—Road						
33	(44) Shop machinery				(11 160)		
34	(45) Power-plant machinery			123 392	(182 623)		
35	Other (Specify & explain)						
36	Total expenditures for road	33 649	30 272	198 065	(2 457 235)	25 493	(15 594)
37	(52) Locomotives						
38	(53) Freight-train cars						
39	(54) Passenger-train cars						
40	(55) Highway revenue equipment						
41	(56) Floating equipment						
42	(57) Work equipment						
43	(58) Miscellaneous equipment						
44	Total expenditures for equipment						
45	(70) Organization expenses						
46	(76) Interest during construction		(143)		(40 866)		(1 722)
47	(77) Other expenditures—General		(8)		(4 358)		(312)
48	Total general expenditures		(151)		(45 224)		(2 034)
49	Total	33 649	30 121	198 065	(2 502 459)	25 493	(17 628)
50	(80) Construction work in progress						
51	Grand total ¹	33 649	30 121	198 065	(2 502 459)	25 493	(17 628)

¹ Do not include in road and equipment accounts, including Account No. 80, "Other elements of investment," adjustments which were made pursuant to the Commission's order, dated April 17, 1933.

211. ROAD AND EQUIPMENT PROPERTY-Continued

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

5. Notes referring to entries in this schedule should be shown on page 18.

6. Report on line 35 amounts not includable in the primary road accounts. The items reported should be briefly identified and explained in a footnote on page 18. 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.

Gross charges during year (c)		Net charges during year (d)		Gross charges during year (j)		Net charges during year (k)		Gross charges during year (l)		Net charges during year (m)		Gross charges during year (n)		Net charges during year (o)		Line No.
\$		\$		\$		\$		\$		\$		\$		\$		
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212. PROPRIETARY COMPANIES

Give particulars called for regarding each inactive proprietary corporation of the lessor companies included in this report (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

Line No.	Item (a)	(b)			(c)			(d)			(e)		
1	Mileage owned: Road.....												
2	Second and additional main tracks.....												
3	Passing tracks, cross-overs, and turn-outs.....												
4	Way switching tracks.....												
5	Yard switching tracks.....												
6	Road and equipment property: Road.....	\$			\$			\$			\$		
7	Equipment.....												
8	General expenditures.....					NONE							
9	Other property accounts.....												
10	Total (account 731).....												
11	Improvements on leased property: Road.....												
12	Equipment.....												
13	General expenditures.....												
14	Total (account 732).....												
15	Depreciation and amortization (accounts 735, 736, and 785).....												
16	Funded debt unmatured (account 765).....												
17	Long-term debt in default (account 768).....												
18	Amounts payable to affiliated companies (account 769).....												
19	Capital stock (account 791).....												

*Includes Account Nos. 80, "Other elements of investment," and 90, "Construction work in progress."

212. PROPRIETARY COMPANIES—Concluded

set forth in a footnote. The separation of accounts 731 and 732 into "Road," "Equipment," and "General expenditures" should be estimated, if not actually shown on respondent's books. Assign to "General expenditures" only such

amounts as are not included in "Road" or "Equipment." Enter brief designations of the several proprietary companies at the heads of their respective columns and state in footnotes the names of the lessor companies that control them.

(f)			(g)			(h)			(i)			(j)			(k)			Line No.
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NOTES AND REMARKS REGARDING RETURNS IN SCHEDULE NO. 211 ON PAGES 14 AND 15

ABSTRACT OF THE PROVISIONS OF THE LEASE BEARING ON RESPONDENT'S LIABILITY TO REIMBURSE THE LESSEE FOR IMPROVEMENTS MADE ON THE LEASED RAILROAD PROPERTY

(See instructions on page 11)

East Pennsylvania Railroad Company - Paragraph 9 of the Lease provides East Pennsylvania Railroad Company shall issue at the request of the Reading Company Capital Stock at par equal to the amount expended by the Lessee for Capital Improvements.

The Port Reading Railroad Company - Supplement Agreement dated November 7, 1947, authorized by the Interstate Commerce Commission, October 29, 1947, Finance Docket No. 7142 modifying Operating Agreement dated September 18, 1928, provides that all improvements, additions, betterments, renewals and extensions to property made subsequent to December 31, 1928, shall be paid for by the Port Reading Railroad Company and become part of that Company's property.

The Wilmington and Northern Railroad Company - Paragraph 5 of the Lease provides that the Wilmington and Northern Railroad Company at the request of the Reading Company, shall issue Capital Stock at Par, for cost of additions, extensions and improvements, made by Reading Company with the approval of the Lessor and that thereafter the rental payable shall be increased by a sum equal to the amount which would then be payable as a dividend upon a like amount of Capital Stock Supplemental Lease dated November 7, 1947, authorized by the Interstate Commerce Commission, October 29, 1947, Finance Docket No. 15786 makes no modification of Paragraph 5.

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 217 AND 218

1. Schedules 217 and 218 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of affiliated companies and other investments held by the lessor companies included in this report at the close of the year specifically as investments, including the obligations of a State or local government, or of an individual, so held; investments made, disposed of, or written down during the year; and dividends and interest credited to income. They should exclude securities issued or assumed by respondents. 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 book value pledged, unpledged, and held in fund accounts. Under "pledged" include the book 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 book value of securities recorded in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; and 717, "Insurance and other funds."

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

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

6. 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, express service and facilities, electric railways, highway motor vehicles, steamboats and other marine transportation equipment, pipe lines (other than those for transportation of water), and other instrumentalities devoted to the transportation of persons or property for hire. Telegraph and telephone companies are not meant to be included.

7. 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.

8. 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.

217. INVESTMENTS IN AFFILIATED COMPANIES

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

Enter the name of a reporting lessor company in the body of the schedule and give, thereunder, particulars of its investments in affiliated companies before listing those of a second lessor. These names should be listed in the order in which they appear on the balance sheet.

Entries in this schedule should be made in accordance with the definitions and general instruc-

tions given on page 19, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c).

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

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

Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be

Line No.	Account No.	Class No.	Kind of Industry	Name of issuing company and description of security held, also lien reference, if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR	
						BOOK VALUE OF AMOUNT HELD AT CLOSE OF YEAR	
						Pledged	Unpledged
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
1			<u>East Pennsylvania R.R. Co.</u>	*	\$		
2	721	A1	VII	Reading Company - First Preferred		2,000	
3							
4			<u>The Port Reading R.R. Co.</u>	*			
5	721	A1	VII	Reading Company - Advances			
6							
7							
8			<u>The Wilmington & Northern R.R. Co.</u>	*			
9	721	A1	VII	Reading Company - Advances			
10							
11							
12							
13							
14							
15							
16				* Companies listed in Schedule and Respondent			
17				are controlled by Reading Company.			
18							
19							
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217. INVESTMENTS IN AFFILIATED COMPANIES—Continued

reported as "Serially 19..... to 19.....". In making entries in this column, abbreviations in common use in standard financial publications may be used where necessary on account of limited space.

If any of the companies included in this schedule are controlled by respondent, the percent of control should be given in column (c). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.

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

Particulars of investments made, disposed of, or written down during the year should be given in columns (j), (k), and (l). If the cost of any investment made during the year differs from the book value reported in column (j), explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein. If the consideration given or received for such investments was other than cash, describe the transaction in a footnote. Identify all entries in column (k) which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

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

INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.
BOOK VALUE OF AMOUNT HELD AT CLOSE OF YEAR			Book value	Selling price	Rate	Amount credited to income	
In sinking, insurance, and other funds	Total book value						
(h)	(i)	(j)	(k)	(l)	(m)	(n)	
\$	\$	\$	\$	\$	%	\$	
	1,302						1
							2
							3
							4
	388,617		289,711	289,711			5
							6
							7
	134,507	134,507					8
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217. INVESTMENTS IN AFFILIATED COMPANIES—Continued

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and description of security held, also lien reference, if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR	
						BOOK VALUE OF AMOUNT HELD AT CLOSE OF YEAR	
						Pledged	Unpledged
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
					%	\$	\$
52							
53							
54							
55							
56							
57							
58							
59							
60							
61							
62							
63							
64							
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69							
70							
71				NCNE			
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TOTAL							

217. INVESTMENTS IN AFFILIATED COMPANIES—Concluded

INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.
BOOK VALUE OF AMOUNT HELD AT CLOSE OF YEAR			Book value	Selling price	Rate	Amount credited to income	
In sinking, insurance, and other funds (h)	Total book value (i)	(j)	(k)	(l)	(m) %	(n)	
\$	\$	\$	\$	\$		\$	52
							53
							54
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			NONE				71
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218. OTHER INVESTMENTS

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of all corporations other than affiliated companies, included in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; 722, "Other investments"; and 717, "Insurance and other funds." Investments included in account Nos. 715, 716, and 717 held by trustees in lieu of cash deposits required under the governing instrument are to be excluded from this schedule.

2. Enter the name of a reporting lesser company in the body of the schedule and give, thereunder, particulars of its other investments before listing those of a second lesser. These names should be listed in the order in which they appear on the balance sheet.

3. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 19, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c). Investments in U. S. Treasury bills and notes may be reported as one item.

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

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

Line No.	Account No.	Class No.	Kind of Industry	Name of issuing company or government and description of security held, also ten reference, if any	INVESTMENTS AT CLOSE OF YEAR	
					BOOK VALUE OF AMOUNT HELD AT CLOSE OF YEAR	
					Pledged (e)	Unpledged (f)
(a)	(b)	(c)	(d)		\$	\$
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17				NONE		
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51						
52				TOTAL		

218. OTHER INVESTMENTS—Concluded

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

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

8. Particulars of investments made, disposed of, or written down during the year should be given in columns (j) to (k), inclusive. If the cost of any investment made during the year differs from the book value reported in column (j), explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein. If the consideration given or received for such investments was other than cash, describe the transaction in a footnote. Identify all entries in column (j) which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.
BOOK VALUE OF AMOUNT HELD AT CLOSE OF YEAR			Book value	Selling price	Rate	Amount credited to income	
In sinking, insurance, and other funds (g)	Total book value (h)	(i)	(j)	(k)	(l) %	(m)	
\$	\$	\$	\$	\$	%	\$	1
							2
							3
							4
							5
							6
							7
							8
							9
							10
							11
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			NONE				17
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221. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING CARRIER OR NONCARRIER SUBSIDIARIES

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

Line No.	Class No.	Name of lessor company (a)	Name of nonreporting carrier or noncarrier subsidiary that owns the securities, advances, or other intangible property (b)	Name of issuing company and security or other intangible thing in which investment is made (c)
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NONE

221. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING CARRIER OR NONCARRIER SUBSIDIARIES—Concluded

This schedule should include all securities, open account advances, and other intangible property owned or controlled through nonreporting carrier and noncarrier subsidiaries, as well as those of other organizations or individuals whose actions respondent is able to determine.

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

Total book value of investments at close of the year (e)	Book value of investments made during the year (f)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		Remarks (i)	Line No.
		Book value (g)	Selling price (h)		
\$	\$	\$	\$		1
					2
					3
					4
					5
					6
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251. CAPITAL STOCK

Give particulars of the various issues of capital stock which were in existence at the close of the year.

Show separate returns for each lessor company included in this report, classifying the stocks as follows:

- Common.
- Preferred.
- Debenture.
- Receipts outstanding.

State, in a footnote, the class of stock covered by the receipts.

In case any "Preferred" or "Debenture" stock is outstanding, the rate of dividend requirements should be shown in column (b), and it should

be stated whether the dividends are cumulative or noncumulative. If the designation of any class of stock shown in column (b) is not sufficiently descriptive to indicate clearly its dividend rights and equity in the assets of the respondent, a complete statement of the facts should be given.

In stating the date of an authorization, the date of the latest assent or ratification necessary to its validity should be shown; e. g., in case an authorization is required to be ratified by stockholders after action by the board of directors, but is not required to be approved by any State or other governmental board or officer, give the date of approval by stockholders; if the assent of a State railroad commission or other public board or officer is necessary, give the date of such assent, or if subsequent

WITH PAR VALUE

Line No.	Name of lessor company	Class of stock	Par value per share	Date issue was authorized	Par value of amount authorized	Total par value outstanding at close of year	Total par value nominally issued and nominally outstanding at close of year					
							In treasury		Pledged as collateral		In sinking or other funds	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)		(h)		(i)	
1	East Pennsylv-		\$		\$	\$						
2	vania R.R.Co.	Common	50	Various	2 140150	2 126 900						
3												
4												
5	Port Reading											
6	R.R. Co.	Common	100	Various	2 000000	2 000 000						
7												
8												
9	Wilmington &											
10	Northern R.R.											
11	Co.	Common	50	4/3/1887	1 500 000	1 500 000						
12												
13												
14												
15												
16												
17												
18												
19												
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251. CAPITAL STOCK—Concluded

to such assent notice has to be filed with a secretary of state or other public officer and a tax or other fee has to be paid as a *condition precedent* to the validity of the issue, give the date of such payment. In case some *condition precedent* has to be complied with after the approval and ratification of the stockholders has been obtained, state, in a footnote, the particulars of such condition and of the respondent's compliance therewith. 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 (f) and (n) should include stock nominally issued,

nominally outstanding, and actually outstanding. For the purposes of this report, capital stock and other securities are considered to be *nominally issued* when certificates are signed and sealed and placed with the proper officer for sale and delivery or are pledged or otherwise placed in some special fund of the respondent. They are considered to be *actually issued* when sold to a bona fide purchaser for a valuable consideration, and such purchaser holds them free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be *actually outstanding*. If reacquired by or for the respondent under such circumstances as require them to be considered as held alive, and not canceled or retired, they are considered to be *nominally outstanding*.

Total par value actually out- standing			WITHOUT PAR VALUE										Cash value of consid- eration received for stocks actually out- standing		Line No.
			Class of stock	Date issue was authorized	Number of shares authorized	Number of shares outstanding at close of year	Number of shares nominally issued and nominally outstanding at close of year								
							In treasury	Pledged as collateral	In sinking or other funds						
(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)			
2	126	900											1		
													2		
													3		
													4		
													5		
2	000	000											6		
													7		
													8		
													9		
													10		
1	500	000											11		
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253. CAPITAL STOCK CHANGES DURING THE YEAR

Give full particulars of stocks actually or nominally issued (either original issues or reissues) and of stocks reacquired or canceled during the year. Enter the name of a reporting lessor company in the body of the schedule and give, thereunder, particulars of its capital stock changes during the year before listing those of a second lessor. These

names should be listed in the order in which they appear on the balance sheet. In column (c) state whether issued for construction of new properties, for additions and betterments, for purchase of railway or other property, for conversion, for acquisition of securities, for reorganization, or for other corporate purposes. Also give the number and

STOCKS ISSUED DURING YEAR						
Line No.	Class of stock	Date of issue	Purpose of the issue and authority	Par value*		Net proceeds received for issue (cash or its equivalent)
	(a)	(b)	(c)	(d)		(e)
				\$		\$
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17			NONE			
18						
19						
20						
21						
22						
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24						
25						
26						
27						
28						
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31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
TOTAL						

* For nonpar stock, show the number of shares.

254. STOCK LIABILITY FOR CONVERSION OF SECURITIES OF OTHER COMPANIES

If at the close of the year the lessor companies included in this report were subject to any liability to issue their own capital stock in exchange for outstanding securities of constituent or other companies, give full particulars thereof hereunder, including names of parties to contracts and

253. CAPITAL STOCK CHANGES DURING THE YEAR—Concluded

date of the authorization by the public authority under whose control such issue was made, naming such authority. In column (e) include as cash all money, checks, drafts, bills of exchange, and other commercial paper payable at par on demand. For nominally issued stock, show returns in columns (a), (b), (c), and (d) only. For each class of par

stock actually issued the sum of the entries in columns (e), (f), and (h), plus discounts or less premiums in column (g), should equal the entry in column (d).

Particulars concerning the reacquirement of stock that was actually outstanding should be given in columns (a), (i), and (j).

STOCKS ISSUED DURING YEAR—Continued						STOCKS REACQUIRED DURING YEAR						Line No.
Cash value of other property acquired or services received as consideration for issue	Net total discounts (in black) or premiums (in red). Excludes entries in column (h)	Expense of issuing capital stock	AMOUNT REACQUIRED				Remarks					
			Par value*		Purchase price							
			(f)		(j)							
(f)	(g)	(h)	(f)	(j)	(k)							
\$	\$	\$	\$	\$								
						</						

* For nonpar stock, show the number of shares.

254. STOCK LIABILITY FOR CONVERSION OF SECURITIES OF OTHER COMPANIES—Concluded

abstracts of terms of contracts whereunder such liability exists.

NONE

NOTES AND REMARKS

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 261 ON PAGES 34, 35, 36, AND 37

Give particulars of the various issues of securities in accounts Nos. 765, "Funded debt unmatured," 768, "Debt in default," 767, "Receivers' and trustees' securities," 766, "Equipment obligations," and 764, "Equipment obligations and other debt due within 1 year," at the close of the year, together with interest accrued and interest paid during the year and total amount of matured interest in default. Include receipts outstanding for funded debt with their respective issues.

In column (a) enter the name of a reporting lessor company and give, thereunder, the name of each of its bonds or other obligations before listing those of a second lessor. The names of the lessors should be listed in the order in which they appear on the balance sheet. Classify the funded debt and securities of each lessor by accounts and according to the following designations in the numerical order given:

- (1) Mortgage bonds:
 - (a) With fixed interest.
 - (b) With contingent interest.
- (2) Collateral trust bonds:
 - (a) With fixed interest.
 - (b) With contingent interest.
- (3) Unsecured bonds (Debentures):
 - (a) With fixed interest.
 - (b) With contingent interest.
- (4) Equipment obligations (Corporation):
 - (a) Equipment securities.
 - (b) Conditional or deferred payment contracts.
- (5) Miscellaneous obligations.
- (6) Receivers' and trustees' securities:
 - (a) Equipment obligations.
 - (b) Other than equipment obligations.
- (7) Short-term notes in default.

Give totals for each group and subgroup of bonds or other obligations. Columns (f), (g), (h), (i), and (j) are intended further to classify the obligations of the company and are to be answered "Yes" or "No."

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

If the issue is an income bond, the entry in column (d) should be the annual maximum rate of interest specified by the indenture. In column (k) show the approximate number of miles of road on which the mortgage is a direct first lien and in column (l) the approximate number of miles of road on which the mortgage is a direct junior lien. Do not consider any road or other property indirectly subject to either a first or junior lien through the pledge of collateral, leaseholds, or other contractual rights in making the returns required in columns (i), (j), (k), and (l).

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

Matured obligations amounting to less than \$50,000 which have not been presented for payment may be combined into a single entry designated "Minor items of matured obligations, each less than \$50,000," and the total of such items shown in a footnote.

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

For definitions of "nominally issued," "nominally outstanding," "actually issued," and "actually outstanding," see Schedule 251.

Entries in columns (v) and (w) 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.

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

On page 37, give particulars of changes during the year in funded debt and other obligations, following the same order in which they appear in the prior pages of this schedule.

In column (z) state whether issued for construction of new properties, for additions and betterments, for purchase of railroad or other property for conversion, for acquisition of securities, for reorganization, or for other corporate purposes. Also give the number and date of authorization by the public authority under whose control such issue was made, naming such authority. For nominally issued securities, show returns in columns (z) and (aa) only.

For each class of securities actually issued, the sum of the entries in columns (bb) and (cc), plus discounts or less premiums, such discounts or premiums to be shown in a footnote applicable to each issue, should equal the entry in column (aa). For definition of expense, reportable in column (cc), see Definition 10 in the Uniform System of Accounts for Railroad Companies.

Particulars concerning the reacquirement of securities that were actually outstanding should be reported in columns (a), (dd), and (ee).

Include those securities that have been called for payment during the year for which liability has been transferred to account No. 763, "Other current liabilities."

NOTES AND REMARKS

261. FUNDED DEBT AND OTHER OBLIGATIONS

Line No.	Name of lessor company and name and character of obligation	Nominal date of issue	Date of maturity	INTEREST PROVISIONS		DOES OBLIGATION PROVIDE FOR— (Answer "Yes" or "No")			IS OTHER PROPERTY (REAL OR PERSONAL OR LEASEHOLD) SUB- JECT TO LIEN OF THE OBLIGATION? (Answer "Yes" or "No")	
				Rate per- cent per annum (current year)	Dates due	Conver- sion	Call prior to matu- rity, other than for sinking fund	Sinking fund	First lien	Junior to first lien
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	1-A The Port Reading Railroad Co.	1-1-1891	1-1-1981	3-3/4	Jan. 1 July 1	No	Yes	No	Yes	No
2										
3										
4	1-A The Wilmington & Northern									
5	Railroad Company									
6	First Mortgage Bonds	12-1-1887	12-1-1977	4-1/2	June 1 Dec. 1	No	Yes	No	Yes	No
7	General Mortgage Bonds	8-1-1892	8-1-1982	5	Aug. 1	No	No	No	No	Yes
8	Total									
9										
10										
11										
12										
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GRAND TOTAL									XXXX	XXXX

261. FUNDED DEBT AND OTHER OBLIGATIONS—Continued

APPROXIMATE NUMBER OF MILES OF LINE DIRECTLY SUBJECT TO—		AMOUNT NOMINALLY ISSUED AND—			AMOUNT REACQUIRED AND—			TOTAL AMOUNT ACTUALLY OUTSTANDING			Line No.
First lien	Junior to first lien	Total amount nominally and actually issued	Held in special funds or in treas- ury or pledged (Identify pledged securities by symbol "P"; matured by symbol "M")	Canceled	Total amount actually issued	Canceled through sinking fund or otherwise canceled (Identify canceled through sinking fund by symbol "S")	Held in special funds or in treas- ury or pledged (Identify pledged securities by symbol "P"; matured by symbol "M")	Unmatured (accounts 765, 766, and 767)	Unmatured (account 764)	Matured and no provision made for payment (account 768)	
(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	
		\$ 1 500 000			\$ 1 500 000	\$ 1 000 000		\$ 500 000			1
											2
											3
											4
											5
		516 000			516 000	162 500		353 500			6
		462 000	17 000 (P)		445 000			445 000			7
		978 000	17 000		961 000	162 500		798 500			8
											9
											10
											11
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261. FUNDED DEBT AND OTHER OBLIGATIONS—Continued

		AMOUNT OF INTEREST ACCRUED DURING YEAR													
Line No.	Name of lessor company and name and character of obligation (List on same lines and in same order as on page 34)	Charged to income			Charged to investment accounts			Amount of interest paid during year			Total amount of interest in default				
		(v)			(w)			(s)			(y)				
	(a)	\$			\$			\$			\$				
1	1-A The Port Reading Railroad Co.														
2	First Mortgage Bonds		28	128					28	128					
3															
4	1-A The Wilmington & Northern														
5	Railroad Company														
6	First Mortgage Bonds		15	907					15	907					
7	General Mortgage Bonds		22	250					22	250					
8	Total		38	157					38	157					
9															
10															
11															
12															
13															
14															
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52															
53															
54															
55															
56	GRAND TOTAL														

261. FUNDED DEBT AND OTHER OBLIGATIONS—Concluded

SECURITIES ISSUED DURING YEAR										SECURITIES REACQUIRED DURING YEAR					Line No.
Purpose of the issue and authority (a)	Par value (aa)			Net proceeds received for issue (cash or its equivalent) (bb)			Expense of issuing securities (cc)			AMOUNT REACQUIRED					
										Par value (dd)		Purchase price (ee)			
	\$			\$			\$			\$		\$			
										258 000		258 000			1
															2
															3
															4
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															55
GRAND TOTAL															56

266. INTEREST ON INCOME BONDS

1. Give particulars concerning interest payable, accrued, paid, and accumulated and unpaid on the securities having contingent interest provisions classified as (1) Mortgage Bonds, (2) Collateral Trust Bonds, and (3) Unsecured Bonds (Debentures), in schedule 261, "Funded Debt and Other Obligations."

2. In columns (a), (b), and (c) state the name, amount, and nominal

rate of interest shown in columns (a), (e), and (d), respectively, in schedule 261, for each security of the kind indicated. List the names of such securities in the same order as in schedule 261.

3. In column (d) show the amount of interest payable for the year at the nominal rate, if earned, on all of the bonds outstanding at the close of the year plus those retired during the year.

Line No.	Name of issue (from schedule 261)	Amount actually outstanding (from schedule 261)		Nominal rate of interest (from schedule 261)	AMOUNT OF INTEREST			
					Maximum amount payable, if earned		Amount actually payable under contingent interest provisions, charge to income for the year	
	(a)	(b)		(c)	(d)		(e)	
1		\$			\$		\$	
2								
3								
4								
5								
6								
7								
8								
9	NONE							
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								

268. AMOUNTS PAYABLE TO AFFILIATED COMPANIES

Give full particulars of amounts included in balance sheet account No. 769, "Amounts payable to affiliated companies," by each lessor company included in this report. Notes and open accounts should be stated separately.

Line No.	Name of debtor company	Name of creditor company
	(a)	(b)
1	East Pennsylvania Railroad Company	Reading Company
2	Wilmington & Northern Railroad Company	Reading Company
3		
4		
5		
6		
7	* Interest on \$61,500 Debenture Bonds, 5% Issue of 10-16-1907, held by	
8	Reading Company.	
9		
10		
11		
12		
13		
14		
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21		
22		
23		
24		
25		
26		

266. INTEREST ON INCOME BONDS—Concluded

4. In column (e) show the amount of interest charged to the income account for the year.

5. In column (f) show the difference between columns (d) and (e).

6. In columns (h), (i), and (j) show the amounts of interest actually paid during the year, segregated in columns (h) and (i) between payments

applicable to the current year's accruals, and those applicable to past accruals.

7. In column (l) show the sum of unearned interest accumulated under the provisions of the security plus earned interest unpaid at the close of the year.

AMOUNT OF INTEREST—Continued

DIFFERENCE BETWEEN MAXIMUM PAYABLE IF EARNED AND AMOUNT ACTUALLY PAYABLE						TOTAL PAID WITHIN YEAR									Period for, or percentage of, for which cumulative, if any (k)	Total accumulated un- earned interest plus earned interest unpaid at the close of the year (l)	Line No.
Current year (f)			All years to date (g)			On account of current year (h)		On account of prior years (i)			Total (j)						
\$			\$			\$		\$			\$						
																1	
																2	
																3	
																4	
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																20	

268. AMOUNTS PAYABLE TO AFFILIATED COMPANIES—Concluded

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

BALANCE AT CLOSE OF YEAR									Rate of interest (f)	INTEREST ACCRUED DURING YEAR						Interest paid during year (i)	Line No.		
Notes (e)			Open accounts (d)			Total (e)				Charged to income (g)			Charged to construction or other investment account (h)						
\$			\$			\$				%	\$			\$					\$
			2	113	021	2	113	021									3	075	2
				61	500		61	500	5			3	075*						3
																			4
																			5
																			6
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282. DEPRECIATION BASE—EQUIPMENT OWNED

Show the ledger value of all equipment owned by each lessor company included in this report. The totals of columns (c) and (j) should correspond with the carrier's investment in equipment as carried in the accounts, as of the beginning and close of the year, respectively.

If the depreciation base is other than the ledger value a full explanation should be given, together with a statement by primary accounts reconciling the difference between the figures used as the depreciation base and those carried in the ledger as investment in equipment.

Line No.	Name of lessor company (a)	Account (b)	Balance at beginning of year (c)	Debits During the Year			Credits During the Year			Balance at close of year (j)
				Additions and betterments (d)	Other debits (e)	Total debits (f)	Property retired (g)	Other credits (h)	Total credits (i)	
1		(52) Locomotives	\$	\$	\$	\$	\$	\$	\$	\$
2		(53) Freight-train cars								
3		(54) Passenger-train cars								
4		(55) Highway revenue equipment								
5		(56) Floating equipment								
6		(57) Work equipment								
7		(58) Miscellaneous equipment								
8		Total								
9										
10										
11		(52) Locomotives								
12		(53) Freight-train cars								
13		(54) Passenger-train cars								
14		(55) Highway revenue equipment								
15		(56) Floating equipment								
16		(57) Work equipment								
17		(58) Miscellaneous equipment								
18		Total								
19										
20										
21		(52) Locomotives								
22		(53) Freight-train cars								
23		(54) Passenger-train cars								
24		(55) Highway revenue equipment								
25		(56) Floating equipment								
26		(57) Work equipment								
27		(58) Miscellaneous equipment								
28		Total								
29										
30										
31		(52) Locomotives								
32		(53) Freight-train cars								
33		(54) Passenger-train cars								
34		(55) Highway revenue equipment								
35		(56) Floating equipment								
36		(57) Work equipment								
37		(58) Miscellaneous equipment								
38		Total								
39										
40										
41		(52) Locomotives								
42		(53) Freight-train cars								
43		(54) Passenger-train cars								
44		(55) Highway revenue equipment								
45		(56) Floating equipment								
46		(57) Work equipment								
47		(58) Miscellaneous equipment								
48		Total								
49										
50										

51		(52) Locomotives -----	
52		(53) Freight-train cars -----	
53		(54) Passenger-train cars -----	
54		(55) Highway revenue equipment -----	
55		(56) Floating equipment -----	
56		(57) Work equipment -----	
57		(58) Miscellaneous equipment -----	
58		Total -----	
59		(52) Locomotives -----	
60		(53) Freight-train cars -----	
61		(54) Passenger-train cars -----	
62		(55) Highway revenue equipment -----	
63		(56) Floating equipment -----	
64		(57) Work equipment -----	
65		(58) Miscellaneous equipment -----	
66		Total -----	
67		(52) Locomotives -----	
68		(53) Freight-train cars -----	
69		(54) Passenger-train cars -----	
70		(55) Highway revenue equipment -----	
71		(56) Floating equipment -----	
72		(57) Work equipment -----	
73		(58) Miscellaneous equipment -----	
74		Total -----	
75		(52) Locomotives -----	
76		(53) Freight-train cars -----	
77		(54) Passenger-train cars -----	
78		(55) Highway revenue equipment -----	
79		(56) Floating equipment -----	
80		(57) Work equipment -----	
81		(58) Miscellaneous equipment -----	
82		Total -----	
83		(52) Locomotives -----	
84		(53) Freight-train cars -----	
85		(54) Passenger-train cars -----	
86		(55) Highway revenue equipment -----	
87		(56) Floating equipment -----	
88		(57) Work equipment -----	
89		(58) Miscellaneous equipment -----	
90		Total -----	
91		(52) Locomotives -----	
92		(53) Freight-train cars -----	
93		(54) Passenger-train cars -----	
94		(55) Highway revenue equipment -----	
95		(56) Floating equipment -----	
96		(57) Work equipment -----	
97		(58) Miscellaneous equipment -----	
98		Total -----	

NONE

286. DEPRECIATION RESERVE—ROAD AND MISCELLANEOUS PHYSICAL PROPERTY

Give a classified statement, for each lessor company included in this report, of the credits to the reserve accounts for depreciation of road and miscellaneous physical property during the year, and the charges to the reserve accounts during the year because of property retired; also the balances in the accounts at the beginning and at the close of the year.

Line No.	Item (a)	East Penn. R.R. (b) Co.		Port Reading Wilm. & North. R.R. (c) Co.		R.R. (d) Co.		(e)	
		\$	None	\$	1 405 356	\$	818 942	\$	
1	Balances at beginning of year								
2	Accrued depreciation—Road								
3	Accrued depreciation—Miscellaneous physical property								
4	Road property (specify):	XXX	XXX	XX	XXX	XX	XXX	XX	XXX
5	Engineering				2 171		1 519		
6	Grading				294		972		
7	Bridges, trestles & culverts				11 124		14 589		
8	Fences, snowsheds & signs				111		401		
9	Station & office buildings				1 660		4 236		
10	Roadway buildings				144		118		
11	Water stations				115				
12	Fuel stations						267		
13	Shops & enginehouses				2 843		1 251		
14	Wharves & docks						3 649		
15	Coal & ore wharves				32 022				
16	TOFC/COFC terminals				3 934				
17	Communication systems				1 187		1 248		
18	Signals & interlockers				2 292		4 304		
19	Power plants				1 316				
20	Power transmission systems				2 980		110		
21	Miscellaneous structures				3 883		8		
22	Public improvements - Constr.				1 398		1 510		
23	Shop machinery				498		663		
24	Power plant machinery				5 109				
25	Miscellaneous physical property (specify):	XXX	XXX	XX	XXX	XX	XXX	XX	XXX
26									
27	TOTAL CREDITS		None		73 081		34 845		
28	DEBITS								
29	Road property (specify):	XXX	XXX	XX	XXX	XX	XXX	XX	XXX
30	Engineering				16 078		1 826		
31	Grading				12 746		2 720		
32	Bridges, trestles & culverts				15 911		6 857		
33	Fences, snowsheds & signs				237				
34	Station & office buildings				18 043		42 821		
35	Roadway buildings				1 469				
36	Shops & enginehouses				40 025				
37	Wharves & docks						12 410		
38	Coal & ore wharves				787 331				
39	TOFC/COFC terminals				20 641				
40	Communication systems				7 911		18 981		
41	Signals & interlockers				288		289		
42	Power plants				30 657				
43	Power transmission systems				45 725				
44	Miscellaneous structures				103 951				
45	Shop machinery				9 068				
46	Power plant machinery				142 001				
47	Miscellaneous physical property (specify):	XXX	XXX	XX	XXX	XX	XXX	XX	XXX
48									
49									
50									
51									
52									
53	TOTAL DEBITS		None		1 252 082		85 904		
54	Balances at close of year		None		226 355		767 883		
55	Accrued depreciation—Road								
56	Accrued depreciation—Miscellaneous physical property								

286. DEPRECIATION RESERVE—ROAD AND MISCELLANEOUS PHYSICAL PROPERTY—Concluded

Enter the names of the lessor companies in the column headings. All debits or credits to the reserve respecting amortization, if a general amortization program has been authorized, should be included.

(f)			(g)			(h)			(i)			(j)			(k)			Line No.
																		1
																		2
XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3
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XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	28
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XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	47
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287. DEPRECIATION RATES—ROAD AND MISCELLANEOUS PHYSICAL PROPERTY

Give a statement of the percentages used by each lessor company for computing the amounts accrued for depreciation during the year on various classes of road and miscellaneous physical property, together with the estimated life of the property upon which such percentages are based.

Line No.	Name of lessor company (a)	Class of property on which depreciation was accrued (b)	Estimated life (in years) (c)	Annual rate of depreciation (d)	Name of lessor company (e)	Class of property on which depreciation was accrued (f)	Estimated life (in years) (g)	Annual rate of depreciation (h)
1				%				%
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
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20				NONE				
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300. INCOME ACCOUNT FOR THE YEAR

1. Show hereunder the Income Account of each lessor company included in this report, entering the names of the lessor companies in the column headings. For instructions covering this schedule, see the text pertaining to Income Accounts in the Uniform System of Accounts for Railroad Companies.

018501 018502 018503

Line No.	Item (a)	Schedule No.	East Penn. R.R. Co.			Port Reading R.R. Co.			Wilm. & North. R.R. Co.					
			(b)			(c)			(d)			(e)		
1	ORDINARY ITEMS		\$			\$			\$			\$		
2	RAILWAY OPERATING INCOME		xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx
3	(501) Railway operating revenues		xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx
4	(531) Railway operating expenses													
5	Net revenue from railway operations													
6	(532) Railway tax accruals (p. 54)	350												
7	Railway operating income													
8	RENT INCOME		xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx
9	(503) Hire of freight cars and highway revenue freight equipment—credit balance													
10	(504) Rent from locomotives													
11	(505) Rent from passenger-train cars													
12	(506) Rent from floating equipment													
13	(507) Rent from work equipment													
14	(508) Joint facility rent income													
15	Total rent income													
16	RENTS PAYABLE		xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx
17	(536) Hire of freight cars and highway revenue freight equipment—debit balance													
18	(537) Rent for locomotives													
19	(538) Rent for passenger-train cars													
20	(539) Rent for floating equipment													
21	(540) Rent for work equipment													
22	(541) Joint facility rents													
23	Total rents payable													
24	Net rents (lines 15, 23)													
25	Net railway operating income (lines 7, 24)													
26	OTHER INCOME		xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx
27	(502) Revenues from miscellaneous operations (p. 53)													
28	(509) Income from lease of road and equipment (p. 56)	371	22	113		28	128		41	232				
29	(510) Miscellaneous rent income													
30	(511) Income from nonoperating property													
31	(512) Separately operated properties—profit													
32	(513) Dividend income													
33	(514) Interest income					37	159							
34	(516) Income from sinking and other reserve funds													
35	(517) Release of premiums on funded debt													
36	(518) Contributions from other companies													
37	(519) Miscellaneous income		(	17	853)	2	379		194	031				
38	Total other income		4	260		67	666		235	665				
39	Total income (lines 25, 38)		4	260		67	666		235	665				
40	MISCELLANEOUS DEDUCTIONS FROM INCOME		xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx
41	(534) Expenses of miscellaneous operations (p. 53)													
42	(535) Taxes on miscellaneous operating property (p. 53)													
43	(543) Miscellaneous rents													
44	(544) Miscellaneous tax accruals													
45	(545) Separately operated properties—loss													
46	(549) Maintenance of investment organization													
47	(550) Income transferred to other companies													
48	(551) Miscellaneous income charges					21	210		3	571				
49	Total miscellaneous deductions					21	210		3	571				
50	Income available for fixed charges (lines 39, 49)		4	260		46	456		232	094				

300. INCOME ACCOUNT FOR THE YEAR—Continued

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

3. Any unusual accruals involving substantial amounts included on lines 9 to 63, inclusive, should be fully explained in a footnote.

(f)			(g)			(h)			(i)			(j)			(k)			Line No.
\$			\$			\$			\$			\$			\$			
XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	1
XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	2
																		3
																		4
																		5
																		6
																		7
XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	8
																		9
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XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	16
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XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	26
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XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	40
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																		50

NOTE: Deductions because of accelerated amortization of emergency facilities in excess of recorded depreciation resulted in reduction of Federal income taxes for the year of this report in the amount of \$ None.

Flow-through Deferral

Not Applicable

(3) If deferral method was elected, indicate amount of investment tax credit utilized as a reduction of tax liability for current year: _____

Deduct amount of current year's investment tax credit applied to reduction of tax liability but deferred for accounting purposes

Balance of current year's investment tax credit used to reduce current year's tax accrual \$

Add amount of prior years' deferred investment tax credits being amortized and used to reduce current year's tax accrual - _____

Total decrease in current year's tax accrual resulting from use of investment tax credits \$

1. Show hereunder the Retained Income Accounts of each lessor company included in this report, entering the names of the lessor companies in the column headings. For instructions covering this schedule, see the text pertaining to Retained Income Accounts in Uniform System of Accounts.

RAILROAD CORPORATIONS—LESSOR—E

300. INCOME ACCOUNT FOR THE YEAR—Concluded

(f)			(g)			(h)			(i)			(j)			(k)			Line No.
\$			\$			\$			\$			\$			\$			
X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	51
X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	52
																		53
																		54
																		55
																		56
																		57
																		58
																		59
X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	60
X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	61
																		62
X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	63
																		64
																		65
																		66
																		67
																		68
																		69

305. RETAINED INCOME—UNAPPROPRIATED—Concluded

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

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

(f)			(g)			(h)			(i)			(j)			(k)			Line No.
\$			\$			\$			\$			\$			\$			
																		1
																		2
																		3
																		4
																		5
																		6
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																		8
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																		11
																		12
																		13

308. DIVIDENDS DECLARED

Give particulars of each dividend declared by each lessor company included in this report. For par value or nonpar stock, show in column (e) 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 (c) or (d). If any such dividend was payable in anything other than cash; or, 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 after such payment; or, if any class of stock received a return not reportable in this schedule, explain the matter fully in the remarks column. For nonpar stock, show the number of shares in column (e) and the rate per share in column (c) or (d). The dividends in column (f) should be totaled for each company. The sum of the dividends stated in column (f) should equal the amount shown in schedule No. 305.

Line No.	Name of lessor company (a)	Name of security on which dividend was declared (b)	RATE PERCENT (PAR VALUE STOCK) OR RATE PER SHARE (NONPAR STOCK) (c) (d)		Total par value of stock or total number of shares of nonpar stock on which dividend was declared (e)	Dividends (Amount in \$) (f)	DATE (g) (h)		Remarks (i)
			Regular	Extra			Declared	Payable	
1	East Pennsylvania Railroad Company	Capital Stock	3		\$ 368 550	11 056	See	3rd Tues.	
2		"	3		368 550	11 057	Note A	Jan.-July	
3									
4									
5									
6									
7									
8									
9									
10									
11									
12	Note A - Dividends are payable by Reading Company as rent for the East Pennsylvania property,								
13	and are being deferred during Reading Company's reorganization.								
14									
15									
16									
17									
18									
19									
20									
21									
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24									
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41									

[illegible]

Give particulars of each class of miscellaneous physical property or plant operated by each lessor company included in this report during the year. If any of the operations listed in this schedule were discontinued before the close of the year, explain the matter in a footnote. 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.

66

350. RAILWAY TAX ACCRUALS

1. Give particulars called for of the "Other than U. S. Government taxes" and "U. S. Government taxes" accrued and charged to account No. 532, "Railway tax accruals," during the year.

2. Enter in the column headings the names of the lessor companies which accrued the taxes.

3. In section A show for each State the taxes accrued which were levied by the State Governments (or Governments other than the United States).

4. In section B give an analysis by kind of U. S. Government taxes.

5. Substantial adjustments included in the amounts reported should be explained in a footnote.

Line No.	Name of State and kind of tax (a)	Amount			Amount			Amount			Amount			Amount		
	A. Other Than U. S. Government Taxes (Enter names of States)															
1																
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	Total—Other than U. S. Government taxes															
	B. U. S. Government Taxes															
27	Income taxes															
28	Old-age retirement															
29	Unemployment insurance															
30	All other United States taxes															
31	Total—U. S. Government taxes															
32	GRAND TOTAL—Railway Tax Accruals (account 532)															

NOTES AND REMARKS

371. INCOME FROM LEASE OF ROAD AND EQUIPMENT

1. Give particulars called for with respect to road and equipment leased to others during the year, the rent of which is includible in account No. 509, "Income from lease of road and equipment."

2. If the respondent leased to others during all or any part of the year any road and equipment upon which no rent receivable accrued, give particulars in a footnote.

Line No.	Description of Road			Name of present leaseholder (d)	RENT ACCRUED DURING YEAR					
	Name of lessor company (a)	Termini (b)	Length (c)		Total (e)		Depreciation (f)		All other (Account 509) (g)	
1	East Pennsylvania Railroad Company	Reading to Allentown, Pennsylvania	35.81	Reading Company	\$	22 113	\$		\$	
2										
3	Port Reading Railroad Company	Manville to Port Reading, New Jersey	20.31	Reading Company		28 128				
4										
5	Wilmington & Northern Railroad Company	Wilmington, Delaware, to Highs Farm, Pennsylvania	82.96	Reading Company		41 232				
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
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42										

371A. ABSTRACT OF TERMS AND CONDITIONS OF LEASES

Give brief abstracts of the terms and conditions of the leases under which the above stated rents are derived, showing particularly (1) the name of lessor, (2) the name of lessee, (3) the date of the grant, (4) the chain of title (in case of assignment or subletting) and dates of transfer connecting the original parties with the present parties, (5) the basis on which the amount of the annual rent is determined, and (6) the date when the lease will terminate, or, if the date of

termination has not yet been fixed, the provisions governing the termination of the lease. Also give reference to the Commission's authority for the lease, if any. If none, state the reasons therefor.

Copies of leases may be filed in lieu of abstracts above called for. References to copies filed in prior years should be specific.

NOTE.—Only changes during the year are required.—Indicate the year in which reference was made to the original lease, and also the years in which any changes in lease were mentioned.

383. RENTS FOR LEASED ROADS AND EQUIPMENT

1. Give particulars called for with respect to roads and equipment leased from others during the year, the rent for which is includible in account No. 542, "Rent for leased roads and equipment."
2. Rents payable which are not classifiable under one of the three heads provided should be explained in a footnote.

3. Taxes paid or payable by the respondent as a part of the stipulated rent should be included in column (f) and specifically stated under "Remarks."
4. This account includes amounts payable accrued as rent for roads, tracks, or bridges (including equipment or other railroad property covered

Line No.	Name of leaseholder (a)	Name of lessor company (b)	Total rent accrued during year (c)
1			
2			
3			
4		NONE	
5			
6			
7			
8			
9			
10			

383A. ABSTRACT OF LEASEHOLD CONTRACTS

Give brief abstracts of the terms and conditions of the leases under which the above-named properties are held, showing particularly (1) the name of lessee, (2) the name of lessor, (3) the date of the lease, (4) the

chain of title and dates of transfer connecting the original parties with the present parties in case of assignment or subletting, (5) the basis on which the amount of the annual rent is determined, and (6) the date

NOTE.—Only changes during the year are required.

NONE

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

Give a detailed analysis regardless of the amounts of all items included in accounts 570, "Extraordinary items"; 580, "Prior period items"; and 590 "Federal income taxes on extraordinary and prior period items; 606, "Other credits to retained income" and 616, "Other debits to retained income."

Line No.	Name of lessor company (a)	Account No. (b)	Item (c)	Debits (d)	Credits (e)
1	Port Reading		To record profit from sale of land to Public		
2	Railroad Company	570	Service Electric & Gas Company per authority		
3			of Interstate Commerce Commission, letter		
4			dated January 21, 1974.		
5					
6					
7					
8					
9					
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14					
15					
16					
17					
18					
19					
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21					
22					
23					
24					
25					
26					
27					
28					
29					
30					

383. RENTS FOR LEASED ROADS AND EQUIPMENT—Concluded

by the contract), and for specific equipment held under lease for 1 year or more, the property being owned by other companies, and held under lease or other agreement by the terms of which *exclusive use and control for operating purposes* are secured.

5. If the reporting companies held under lease, during all or any part of the year, road on which no rent payable accrued, or if any portion of the charge shown hereunder is for construction on a line in which the leasehold interest will soon expire, give full particulars in the "Remarks" column.

CLASSIFICATION OF RENT									Line No.
Guaranteed interest on bonds (d)			Guaranteed dividends on stocks (e)			Cash (f)		Remarks (g)	
\$			\$			\$			
									1
									2
									3
									4
									5
									6
									7
									8
									9
									10

383A. ABSTRACT OF LEASEHOLD CONTRACTS—Concluded

when the lease is to terminate, or, if such date has not yet been determined, the provisions governing its determination. Also give reference to the Commission's authority for the lease, if any. If none, state the reasons therefor.

In lieu of the abstracts here called for, copies of lease agreements may be filed. Reference to copies filed in prior years should be given in connection with any changes in terms and conditions of the leasehold contracts.

396. SELECTED ITEMS IN INCOME AND RETAINED INCOME ACCOUNTS FOR THE YEAR—Concluded

Each item recorded in accounts 606 and 616 amounting to \$5,000 or more should be stated; items less than \$5,000 may be combined in a single entry, designated "Minor items, each less than \$5,000."

Line No.	Name of lessor company (a)	Account No. (b)	Item (c)	Debits (d)		Credits (e)	
				\$		\$	
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41			NONE				
42							
43							
44							
45							
46							
47							
48							
49							
50							
51							
52							
53							
54							
55							
56							
57							
58							
59							
60							

411. TRACKS OWNED AT CLOSE OF YEAR

(For lessors to other than switching and terminal companies)

Give particulars of the mileage owned by each lessor company included in this report. If a company of this class controls any mileage by lease, and, in turn, subleases such mileage to another company, give particulars in a footnote. In giving "Miles of road", column (c), state the actual single-track distance between termini.

The classes of tracks are defined as follows:

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

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

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

In the lower table, classify the mileage of road owned at close of year by States and Territories. The figures should apply to single-track mileage only. Enter names of States or Territories in the column headings. Lengths should be stated to the nearest hundredth of a mile.

Line No.	Name of road (a)	Termini between which road named extends (b)	RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.								Miles of way switching tracks (g)		Miles of yard switching tracks (h)		Total (i)		
			Miles of road (c)		Miles of second main track (d)		Miles of all other main tracks (e)		Miles of passing tracks, cross-overs, etc. (f)								
1	East Pennsylvania Railroad Company	Reading, Penn. to Allentown, Penn.	35	81	6	27	60			6	28	3	08	13	04	85	81
2																	
3																	
4	Port Reading Railroad Company	Manville, New Jersey to Port Reading, New Jersey	20	31						12	74	1	29	9	89	44	23
5																	
6																	
7	Wilmington & Northern Railroad Company	Wilmington, Delaware to Highs Farm, Penn.	82	96						16	90	2	45	18	98	121	29
8																	
9																	
10																	
11																	
12																	
13																	
14																	
15																	
16																	
17																	
18																	
19																	
20																	
21																	
22																	
23																	
24																	

MILES OF ROAD OWNED AT CLOSE OF YEAR—BY STATES AND TERRITORIES—(Single Track)

(Enter names of States or Territories in the column headings)

Line No.	Name of road	Pennsylvania		New Jersey		Delaware												Total	
25	East Penn.																		
26	R.R. Co.		35 81																35 81
27																			
28	Port Reading																		
29	R.R. Co.					20 31													20 31
30																			
31	Wilm. & North.																		
32	R.R. Co.		62 09							20 87									82 96
33																			
34																			

In the lower table, classify the mileage of tracks owned at close of year by States and Territories. Enter names of States or Territories in the column headings. Lengths should be stated to the nearest hundredth of a mile.

Line No.	Name of road (a)	Location (b)	Mileage of tracks owned (c)	Name of lessee (d)
1				
2				
3				
4		NONE		
5				
6				
7				
8				
9				
10				

[illegible]

418501

ANNUAL REPORT 1973
READING CO.

2 OF 2

561. EMPLOYEES AND COMPENSATION

1. Give the average number of employees in the service of the lessor companies included in this report and the total compensation paid to them. General officers who served without compensation or were carried on the pay rolls of another company, and pensioners rendering no service, are not to be included.

2. Averages called for in columns (b), (c), and (d) should be the average of 12 middle-of-month counts.

3. This schedule does not include old-age retirement, and unemployment insurance taxes. See schedule 350 for such taxes.

Line No.	Name of lessor company (a)	AVERAGE NUMBER OF EMPLOYEES IN SERVICE			TOTAL COMPENSATION DURING YEAR					
		Executives, general officers, and staff assistants (b)	Other employees (c)	Total employees (d)	Executives, general officers, and staff assistants (e)		Other employees (f)		Total compensation (g)	
					\$		\$		\$	
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										

The respondents are leased lines of Reading Company and their Officers are also Officers of said Lessee Company and their time on duty and compensation are included in the report of that Company. It is impracticable to assign a portion of their time on duty and compensation to the respondents for the reason that their duties in relation to organization matters are negligible.

562. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

Give the name, position, salary, and other compensation, such as bonus, commission, gift, reward, or fee, of each officer, director, pensioner, or employee to whom the lessor companies included in this report paid \$40,000 or more during the year as compensation for current or past services over and above necessary expenses incurred in discharge of their duties.

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 of the system with a reference thereto in this report.

Any large "Other compensation" should be explained.

Line No.	Name of lessor company (a)	Name of person (b)	Title (c)	Salary per annum as of close of year (d)		Other compensation during the year (e)		Remarks (f)
				\$		\$		
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								

See Schedule 561

563. PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Give particulars concerning payments, fees, retainers, commissions, gifts, contributions, assessments, bonuses, pensions, subscriptions, allowances for expenses, or any form of payments amounting in the aggregate to \$5,000 or more during the year to any corporation, institution, association, firm, partnership, committee, or any person (other than one of respondents' employees covered in schedule 562 in this annual report) for services or as a donation.

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 should be excluded, but any special or unusual payments for services should be reported.

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 of the system with a reference thereto in this report.

Line No.	Name of lessor company (a)	Name of recipient (b)	Nature of service (c)	Amount of payment (d)		Remarks (e)
				\$		
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						

NONE

581. CONTRACTS, AGREEMENTS, ETC.

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

1. Express companies.
2. Mail.
3. Sleeping, parlor, and dining car companies.
4. Freight or transportation companies or lines.
5. Other railway companies.
6. Steamboat or steamship companies.
7. Telegraph companies.
8. Telephone companies.
9. Equipment purchased under conditional sales contracts.
10. Other contracts.

Under item 9, give particulars of conditional sales agreements, lease or rental contracts, and other similar instruments, entered into by respondent for the purchase of equipment, which provide for payment in installments and do not involve the issuance of securities by respondent. State the names of the parties to the contracts or agreements, the number of units of each class of equipment covered, and the terms and conditions of payment.

Information concerning contracts of minor importance may be omitted. A contract of minor importance is defined as one involving receipts or payments of less than \$5,000 per year, and which by its terms is otherwise unimportant.

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

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

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

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

NONE

591. CHANGES DURING THE YEAR

Hereunder state the matters called for. Make the statements explicit and precise, and number them in accordance with the inquiries; each inquiry should be fully answered, and if the word "none" truly states the fact it may be used in answering any particular inquiry. Changes in mileage should be reported by classes and stated to the nearest hundredth of a mile.

1. All increases and decreases in mileage, classifying the changes in the tables below as follows:
(Class 1) Line owned by respondent.
(Class 2) Line owned by proprietary companies.

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

- This statement should show the mileage, equipment, and cash value of property of each company as well as the consideration received by each company party to the action. State the dates on which consolidated, etc., and whether the prior companies have been dissolved. Copies of the articles of consolidation, merger, or reorganization should be filed with this report.
4. Adjustments in the book value of securities owned, and reasons therefor.
 5. Other financial changes of more than \$50,000, not elsewhere provided for, giving full particulars.

INCREASES IN MILEAGE

Line No.	Class	Name of lessor company	Main (M) or branch (B) line	RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				Miles of way switching tracks	Miles of yard switching tracks	Total
				Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, and turn-outs			
(a)	(b)		(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	1	East Pennsylvania Railroad Company					02	01		03
2										
3	1	Port Reading Railroad Company					08	19		27
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14		TOTAL INCREASE					10	20		30

DECREASES IN MILEAGE

21	1	Port Reading Railroad Company							6 76	6 76
22										
23										
24										
25										
26										
27										
28										
29										
30										
31										
32										
33										
34										
35										
36		TOTAL DECREASE							6 76	6 76

If returns under Inquiry No. 1 on page 64 include any first main track owned by respondent or its proprietary companies representing new construction or permanent abandonment give the following particulars:

Line No.	OWNED BY RESPONDENT			OWNED BY PROPRIETARY COMPANIES		
	Name of leader company (a)	MILES OF ROAD		Name of proprietary company (d)	MILES OF ROAD	
		Constructed (b)	Abandoned (c)		Constructed (e)	Abandoned (f)
40						
41						
42						
43						
44						
45						
46						
47				NONE		
48						
49						
50						

The item "miles of road constructed" is intended to show the mileage of first main track laid to extend respondent's road, and should not include tracks relocated and tracks laid to shorten the distance between two points, without serving any new territory. By "road abandoned" is meant permanently abandoned, the cost of which has been or is to be written out of the investment accounts.

VERIFICATION

The foregoing report must be verified by the oath of the officer having control of the accounting of the respondents. It should be verified, also, by the oath of the president or other chief officer of the respondents, unless the respondents state on the last preceding page of this report that such chief officer has no control over the accounting of the respondents. 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 respondents)

State of PENNSYLVANIA

County of PHILADELPHIA

} ss:

T. J. GIBLIN

(Insert here the name of the affiant)

makes oath and says that he is

COMPTROLLER

(Insert here the official title of the affiant)

of

(Insert here the exact legal titles or names of the respondents)

East Pennsylvania Railroad Company

The Port Reading Railroad Company

The Wilmington and Northern Railroad Company

that it is his duty to have supervision over the books of account of the respondents 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 respondents during the period of time from and, including

January 1, 1973, to and including December 31, 1973

[Signature]
(signature of affiant)

Subscribed and sworn to before me, a

NOTARY PUBLIC

in and for the State and

county above named, this

28th

day of

MARCH

19 74

My commission expires

January 4, 1978

[Use an
L. S.
impression seal]

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

VERIFICATION —Concluded

SUPPLEMENTAL OATH

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

State of PENNSYLVANIACounty of PHILADELPHIA

}

C. E. BERTRAND

(Insert here the name of the affiant)

makes oath and says that he is

PRESIDENT

(Insert here the official title of the affiant)

of

(Insert here the exact legal titles or names of the respondents)

East Pennsylvania Railroad CompanyThe Port Reading Railroad CompanyThe Wilmington and Northern Railroad Company

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 respondents during the period of time from and including

January 1, 1973, to and including December 31, 1973

AD
BY
AD
FORM

C. E. Bertrand
(Signature of affiant)

Subscribed and sworn to before me, a NOTARY PUBLIC, in and for the State and

county above named, this 28th day of MARCH, 1974

My commission expires

January 4, 1975

[Use an
L. S.
impression seal]

Charles S. Beaver
(Signature of officer authorized to administer oaths)

[illegible][illegible]

1

RAILROAD CORPORATIONS—LESSOR—E

418501

ANNUAL REPORT 1973
READING CO.

1 OF 2

* 418501
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RAIL E

annual report

INTERSTATE
COMMERCE COMMISSION
RECEIVED

MAR 31 1974

ADMINISTRATIVE SERVICES
MAIL BRANCH

LESSORS OF READING COMPANY: EAST PENNSYLVANIA RAILROAD COMPANY PORT READING RAILROAD COMPANY WILMINGTON & NORTHERN RAILROAD COMPANY	125180100READINGCO 1 418501 READING CO - LESSORS READING TERMINAL 12TH & MARKET STS PHILADELPHIA, PA, 19107 CL12LESS
Correct name and address if different than shown.	Full name and address of reporting carrier. (Use mailing label on original, copy in full on duplicate.)



to the
Interstate Commerce Commission

FOR THE YEAR ENDED DECEMBER 31, 1973

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 this section to be filed, * * * or shall knowingly or willfully file with the Commission any false report or other document, shall be deemed guilty of a misdemeanor and shall be subject, upon conviction in any court of the United States of competent jurisdiction to a fine of not more than five thousand dollars or imprisonment for not more than two years, or both such fine and imprisonment. * * *

(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. * * *

Each 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 108, page 2.

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 parenthesis. Items of an unusual character should be indicated by appropriate symbol and footnote.

Money items (except averages) throughout this 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 supplied.

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.

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 each 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 the case the report is made for a shorter period than one year, it means the close of the period covered by the report. The beginning of the year means the beginning of business on January 1 of the year for which the report is made; or, in case the report is made for a shorter period than one year, it means the beginning of the period covered by the report. The preceding year means the year ended December 31 of the year next preceding the year for which the report is made. The Uniform System of Accounts for Railroad Companies means the system of accounts in Part 1201 of Title 49, Code of Federal Regulations, as amended.

FOR THE INDEX SEE THE INSIDE OF BACK COVER

See also "Instructions regarding the use of this report form" on page 1

ANNUAL REPORT

OF

LESSORS OF

READING COMPANY

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1973

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

(Name) T. J. GIBLIN (Title) COMPTROLLER
(Telephone number) 215 - WA 2-6100 Ext. 500
(Area code) (Telephone number)
(Office address) READING TERMINAL, PHILADELPHIA, PENNSYLVANIA 19107
(Street and number, City, State, and ZIP code)

SPECIAL NOTICE

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

Page 8: Schedule 200A. Comparative General Balance Sheet - Assets

Page 10: Schedule 200L. Comparative General Balance Sheet - Liabilities and Shareholders' Equity

Titles of accounts 705 and 752, respectively, have been revised to conform with the Uniform System of Accounts for Railroad Companies.

Provision has been made for reporting comparative data of respective assets included in accounts 731 and 732.

Page 19-27: Schedule 217. Investments in Affiliated Companies

Schedule 218. Other Investments

Schedule 221. Securities, Advances, and Other Intangibles Owned Or Controlled Through Nonreporting Carrier and Noncarrier Subsidiaries

Instructions have been revised to provide for reporting the book value of investments.

Page 62: Schedule 562: Compensation of Officers, Directors, Etc.

Minimum dollar amount has been increased to \$40,000.

INSTRUCTIONS REGARDING THE USE OF THIS REPORT FORM

This annual report is arranged in columnar form so that it may include returns for a single lessor company, or for several lessor companies whose properties are leased to the same operating railway, provided that the books of account are under the general supervision of the same accounting officer.

Separate returns are required to be shown for each lessor, the name of the reporting company to be entered in the box heading or in the column on the left of the several schedules, as may be applicable.

If the report is made for a single company, the exact corporate name should appear on the cover, title page, page 2, and in the oath and supplemental oath.

A report made for a number of lessor companies may show an appropriate designation, such as "Lessors of the Railroad Company" on the cover and title page, but the oath and supplemental oath must be completed for each corporation, except as provided therein.

Reports filed under the designation "Lessors of the Railroad Company" should contain hereunder the names of the lessor companies that are included in this report, and the names of those that file separately.

Names of lessor companies included in this report

East Pennsylvania Railroad Company

The Port Reading Railroad Company

The Wilmington & Northern Railroad Company

Names of lessor companies that file separate reports

The Allentown Terminal Railroad Company *

The Delaware & Bound Brook Railroad Company

The North Pennsylvania Railroad Company

Philadelphia, Germantown & Norristown
Railroad Company

The Plymouth Railroad Company

The Ironton Railroad Company *

* Jointly operated with The Lehigh Valley
Railroad Company.

In completing the various schedules in this report form, list the information concerning the lessor companies in the order in which their names appear on the balance sheet. Such additional pages as may be necessary will be furnished by the Commission on request.

101. IDENTITY OF LESSOR COMPANIES INCLUDED IN THIS REPORT

Give hereunder the exact corporate name and other particulars called for concerning each lessor company included in this report. The corporate name should be given in full, exactly as it appears in the articles of incorporation, using the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between *railroad* and *railway*.

If receivers, trustees, or a committee of bondholders are in possession of the property of

any of the lessor companies, state their names and the court of jurisdiction in column (a) and give the date when such receivership, trusteeship, or other possession began, in addition to the date of incorporation, in column (b).

If a consolidation or merger was effected during the year, particulars should be given in Schedule 591, "Changes during the year."

Line No.	Exact name of lessor company (a)	INCORPORATION		CORPORATE CONTROL OVER RESPONDENT			Total number of stockholders (f)	Total voting power of all security holders at close of year (g)
		Date of incorporation (b)	Name of State or Territory in which company was incorporated (c)	Name of controlling corporation (d)	Extent of control (percent) (e)			
1	East Pennsylvania Railroad Company	5-26-1856	Penn.	Reading Company	83		121	42 538
2								
3	The Port Reading Railroad Company	11-05-1890	New Jersey	"	100		1	20 000
4								
5	The Wilmington & Northern Railroad Co.	4-03-1877	Penn. & Delaware	"	100		11	30 000
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105. 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.

109. STOCKHOLDERS AND VOTING POWERS

1. Give the names of the five security holders who had the highest voting powers in each lessor company included in this report. This information should be given as of the close of the year, or, if not available, at the date of the latest compilation of a list of stockholders. If any holder held the stock in trust, give particulars of the trust in a footnote. In the case of voting trust agreements give, as supplemental information on page 12 the names and addresses of the 30 largest holders of the voting trust certificates and the amount of their individual holdings.

Line No.	Name of lessor company (a)	Name of stockholder (b)	Voting power (c)	Name of stockholder (d)	Voting power (e)	Name of stockholder (f)	Voting power (g)	Name of stockholder (h)	Voting power (i)	Name of stockholder (j)	Voting power (k)
1	East Pennsylvania	Manufacturers	35 313	UNIS & Co.	1 000	Hershey Trust	600	Joshua A.	1 023	A.M.Lties	347
2	Railroad Company	Hanover Trust				Co.-Trustee		Rich			
3		Co.-Trustee				for Milton					
4						Hershey School					
5		"	20 000								
6	The Port Reading										
7	Railroad Company										
8		"	29 962	O.P.Benjamin	5	F.J.May	5	C.B.Bertrand	5	A.W.Hesse, Jr.	5
9	The Wilmington and										
10	Northern Railroad										
11	Company										
12											
13											
14											
15	* Certificate of unanimous consent executed by all stockholders in lieu of stockholders										
16	meeting consenting to the adoption of a resolution covering the election of Directors.										
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2. Give particulars called for regarding each lessor company included in this report, entering the initials of the lessor companies in the column headings.

State total number of votes cast at latest general meeting for election of directors of respondent

Give the date of such meeting

Give the place of such meeting

INITIALS OF RESPONDENT COMPANIES		
E. Penn. R.R. Co.	Pt.Rdg. R.R. Co.	Wilm.& North. R.R. Co.
35,313	20,000	30,000
1-11-71	10-8-73	5-7-73
Philadelphia	Philadelphia	Philadelphia

112. DIRECTORS

Give particulars of the various directors of respondents at the close of the year.

Line No.	Item	East Pennsylvania Railroad Company *	The Port Reading Railroad Company	The Wilmington and Northern R.R. Co.
1	Name of director	A. W. Hesse, Jr.	C. E. Bertrand	C. E. Bertrand
2	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
3	Date of beginning of term	January 11, 1971	October 8, 1973	May 7, 1973
4	Date of expiration of term	January 14, 1973	October 14, 1974	May 6, 1974
5	Name of director	S.F.Hinkle, C/o Hershey	J.R. Greene	J. R. Greene
6	Office address	Choc.Co., Hershey, Pa.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
7	Date of beginning of term	January 11, 1971	October 8, 1973	May 7, 1973
8	Date of expiration of term	January 14, 1973	October 14, 1974	May 6, 1974
9	Name of director	H. T. Hallowell, Jr.	A. W. Hesse, Jr.	A. W. Hesse, Jr.
10	Office address	Jenkintown, Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
11	Date of beginning of term	January 11, 1971	October 8, 1973	May 7, 1973
12	Date of expiration of term	January 14, 1973	October 14, 1974	May 6, 1974
13	Name of director	G. J. Rafkind	O. P. Benjamin	F. J. May
14	Office address	New York, N.Y.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
15	Date of beginning of term	January 11, 1971	October 8, 1973	May 7, 1973
16	Date of expiration of term	January 14, 1973	October 14, 1974	May 6, 1974
17	Name of director	J. R. Greene	F. J. May	O. P. Benjamin
18	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
19	Date of beginning of term	January 11, 1971	October 8, 1973	May 7, 1973
20	Date of expiration of term	January 14, 1973	October 14, 1974	May 6, 1974
21	Name of director	O. P. Benjamin		J. E. Frick
22	Office address	Rdg.Trml., Phila., Penn.		Rdg.Trml., Phila., Penn.
23	Date of beginning of term	January 11, 1971		May 7, 1973
24	Date of expiration of term	January 14, 1973		May 6, 1974
25	Name of director	One Vacancy		J. S. Warden
26	Office address			Rdg.Trml., Phila., Penn.
27	Date of beginning of term			May 21, 1973
28	Date of expiration of term			May 6, 1974
29	Name of director	* No meeting of stock-		
30	Office address	holders held since		
31	Date of beginning of term	January 11, 1971.		
32	Date of expiration of term			
33	Name of director			
34	Office address			
35	Date of beginning of term			
36	Date of expiration of term			
37	Name of director			
38	Office address			
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40	Date of expiration of term			
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42	Office address			
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45	Name of director			
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47	Date of beginning of term			
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51	Date of beginning of term			
52	Date of expiration of term			
53	Name of director			
54	Office address			
55	Date of beginning of term			
56	Date of expiration of term			
57	Name of director			
58	Office address			
59	Date of beginning of term			
60	Date of expiration of term			

112. DIRECTORS—Concluded

Enter the names of the lessor companies in the column headings.

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113. PRINCIPAL GENERAL OFFICERS OF CORPORATION, RECEIVER, OR TRUSTEE

Give particulars of the various general officers of respondents at the close of the year. Enter the names of the lessor companies in the column headings.

Line No.	Item	East Pennsylvania Railroad Company	The Port Reading Railroad Company	The Wilmington and Northern R.R. Co.
1	Name of general officer	C. E. Bertrand	C. E. Bertrand	C. E. Bertrand
2	Title of general officer	President	President	President
3	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
4	Name of general officer	A. M. Arnold	A. W. Hesse, Jr.	A. W. Hesse, Jr.
5	Title of general officer	Secretary & Treasurer	Vice President-Law	Vice President-Law
6	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
7	Name of general officer	O. P. Benjamin	O. P. Benjamin	A. M. Arnold
8	Title of general officer	Vice President-Traffic	Vice President-Traffic	Secretary & Treasurer
9	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
10	Name of general officer	J. R. Greene	A. M. Arnold	O. P. Benjamin
11	Title of general officer	Vice President-Finance	Secretary & Treasurer	Vice President-Traffic
12	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
13	Name of general officer	J. P. Clark	J. R. Greene	J. R. Greene
14	Title of general officer	Director of Real Est.	Vice President-Finance	Vice President-Finance
15	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
16	Name of general officer	A. M. Poletynski	J. P. Clark	J. P. Clark
17	Title of general officer	Asst. Treas. & Asst. Sec.	Director of Real Est.	Director of Real Est.
18	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
19	Name of general officer	A. W. Hesse, Jr.	A. M. Poletynski	A. M. Poletynski
20	Title of general officer	Vice Pres. & Gen. Counsel	Asst. Treas. & Asst. Sec.	Asst. Treas. & Asst. Sec.
21	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
22	Name of general officer	T. J. Giblin	T. J. Giblin	F. J. May
23	Title of general officer	Asst. General Auditor	Comptroller	Vice Pres.-Oper. & Mtc.
24	Office address	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
25	Name of general officer		F. J. May	L. W. Fogg, Jr.
26	Title of general officer		Vice Pres.-Oper. & Mtc.	General Counsel
27	Office address		Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
28	Name of general officer		E. C. Lawson	T. J. Giblin
29	Title of general officer		Chief Engineer	Comptroller
30	Office address		Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
31	Name of general officer		L. W. Fogg, Jr.	R. A. Sutherland
32	Title of general officer		General Counsel	Asst. Comptroller
33	Office address		Rdg.Trml., Phila., Penn.	Rdg.Trml., Phila., Penn.
34	Name of general officer		R. A. Sutherland	
35	Title of general officer		Asst. Comptroller	
36	Office address		Rdg.Trml., Phila., Penn.	
37	Name of general officer			
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58	Name of general officer			
59	Title of general officer			
60	Office address			

113. PRINCIPAL GENERAL OFFICERS OF CORPORATION, RECEIVER, OR TRUSTEE—Concluded

If there are receivers, trustees, or committees, who are recognized as in the controlling management of the road, give also their names and titles, and the location of their offices.

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200A. GENERAL BALANCE SHEET—ASSET SIDE

Show hereunder the asset side of the balance sheet at close of year of each lessor company included in this report, entering the names of the lessor companies in the column headings. For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts

Line No.	Account (a)	East Penn. R.R. (b) Co.		Port Reading R.R. (c) Co.		Wilm. & North. R.R. (d) Co.		(e)	
CURRENT ASSETS									
1	(701) Cash		299		31 355				
2	(702) Temporary cash investments				275 060				
3	(703) Special deposits								
4	(704) Loans and notes receivable								
5	(705) Traffic, car-service and other balances—Debit								
6	(706) Net balance receivable from agents and conductors								
7	(707) Miscellaneous accounts receivable				2 230				
8	(708) Interest and dividends receivable						402		
9	(709) Accrued accounts receivable	55	754			12	134		
10	(710) Working fund advances								
11	(711) Prepayments								
12	(712) Material and supplies								
13	(713) Other current assets								
14	Total current assets	56	053		308 585	12	536		
SPECIAL FUNDS									
15	(715) Sinking funds								
16	(716) Capital and other reserve funds			3	954 841				
17	(717) Insurance and other funds			3	954 841				
18	Total special funds								
INVESTMENTS									
19	(721) Investments in affiliated companies (pp. 20 to 23)	1	302		688 617		134 507		
20	(722) Other investments (pp. 24 and 25)								
21	(723) Reserve for adjustment of investment in securities—Credit								
22	Total investments (accounts 721, 722 and 723)	1	302		688 617		134 507		
PROPERTIES									
23	(731) Road and equipment property (pp. 14 and 15)								
24	Road	4	648 089	2	798 461	5	767 373		
25	Equipment								
26	General expenditures	145	356		117 273		279 843		
27	Other elements of investment	339	239		704 404	(1	791 784)		
28	Construction work in progress								
29	Total road and equipment property	4	454 206	3	620 138	4	255 432		
30	(732) Improvements on leased property (pp. 14 and 15)								
31	Road				245 625				
32	Equipment								
33	General expenditures				9 284				
34	Total improvements on leased property				254 909				
35	Total transportation property (accounts 731 and 732)	4	454 206	3	875 047	4	255 432		
36	(735) Accrued depreciation—Road and Equipment				(226 355)		767 883		
37	(736) Amortization of defense projects—Road and Equipment								
38	Recorded depreciation and amortization (accounts 735 and 736)				226 355		767 883		
39	Total transportation property less recorded depreciation and amortization (line 33 less line 36)	4	454 206	3	648 692	3	487 549		
40	(737) Miscellaneous physical property				16 042		459		
41	(738) Accrued depreciation—Miscellaneous physical property								
42	Miscellaneous physical property less recorded depreciation				16 042		459		
43	Total properties less recorded depreciation and amortization (line 37 plus line 40)	4	454 206	3	664 734	3	488 008		
OTHER ASSETS AND DEFERRED CHARGES									
44	(741) Other assets				253 235		4 972		
45	(742) Unamortized discount on long-term debt								
46	(743) Other deferred charges								
47	Total other assets and deferred charges	481	541		253 235	4	972		
48	TOTAL ASSETS	4	993 102	8	870 012	3	640 023		
ITEMS EXCLUDED ABOVE									
The above returns exclude respondent's holdings of its own issues of securities as follows:									
49	(715) Sinking funds		None		None		None		
50	(716) Capital and other reserve funds								
51	(703) Special deposits								
52	(717) Insurance and other funds								

200A. GENERAL BALANCE SHEET—ASSET SIDE—Continued

in the Uniform System of Accounts for Railroad Companies. The entries in this schedule should be consistent with those in the supporting schedules on the pages indicated. All contra entries hereunder should be indicated in parenthesis.

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200L. GENERAL BALANCE SHEET—LIABILITY SIDE

Show hereunder the liability side of the balance sheet at close of year of each lesser company included in this report, entering the names of the lesser companies in the column headings. 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 schedule should be consistent with those in the supporting schedules on the pages indicated. All contra entries hereunder should be indicated in parenthesis.

Line No.	Account (a)	East Penn. R.R. (b) Co.	Port Reading R.R. (c) Co.	Wilm. & North. R.R. (d) Co.	(e)
CURRENT LIABILITIES					
52	(751) Loans and notes payable.....				
53	(752) Traffic, car-service and other balances—Credit.....				
54	(753) Audited accounts and wages payable.....				
55	(754) Miscellaneous accounts payable.....		7 195		
56	(755) Interest matured unpaid.....	20		1 538	
57	(756) Dividends matured unpaid.....	55 505			
58	(757) Unmatured interest accrued.....			10 596	
59	(758) Unmatured dividends declared.....				
60	(759) Accrued accounts payable.....				
61	(760) Federal income taxes accrued.....				
62	(761) Other taxes accrued.....				
63	(762) Other current liabilities.....				
64	Total current liabilities (exclusive of long-term debt due within one year).....	55 525	7 195	12 134	
LONG-TERM DEBT DUE WITHIN ONE YEAR					
65	(764) Equipment obligations and other debt (pp. 34, 35, 36, and 37).....				
LONG-TERM DEBT DUE AFTER ONE YEAR					
66	(765) Funded debt unmatured.....		500 000	798 500	
67	(765) Equipment obligations.....	pp. 34, 35, 36, and 37			
68	(767) Receivers' and Trustees' securities.....				
69	(768) Debt in default.....				
70	(769) Amounts payable to affiliated companies (pp. 36 and 39).....	2 113 021		61 500	
71	Total long-term debt due after one year.....	2 113 021	500 000	860 000	
RESERVES					
72	(771) Pension and welfare reserves.....				
73	(772) Insurance reserves.....				
74	(774) Casualty and other reserves.....				
75	Total reserves.....				
OTHER LIABILITIES AND DEFERRED CREDITS					
76	(781) Interest in default (p. 36).....				
77	(782) Other liabilities.....		27 076		
78	(783) Unamortized premium on long-term debt.....				
79	(784) Other deferred credits.....				
80	(785) Accrued depreciation—Leased property.....				
81	Total other liabilities and deferred credits.....		27 076		
SHAREHOLDERS' EQUITY					
<i>Capital stock (Par or stated value)</i>					
82	(791) Capital stock issued:				
83	Common stock (pp. 28 and 29).....	2 126 900	2 000 000	1 500 000	
84	Preferred stock (pp. 28 and 29).....				
85	Total capital stock issued.....	2 126 900	2 000 000	1 500 000	
86	(792) Stock liability for conversion (pp. 30 and 31).....				
87	(793) Discount on capital stock.....				
88	Total capital stock.....	2 126 900	2 000 000	1 500 000	
<i>Capital Surplus</i>					
89	(794) Premiums and assessments on capital stock.....				
90	(795) Paid-in surplus.....				
91	(796) Other capital surplus.....				
92	Total capital surplus.....				
<i>Retained Income</i>					
93	(797) Retained income—Appropriated.....	25 154	822 856		
94	(798) Retained income—Unappropriated (pp. 30 and 31).....	672 502	5 512 885	1 267 889	
95	Total retained income.....	697 656	6 335 741	1 267 889	
96	Total shareholders' equity.....	2 824 556	8 337 012	2 767 889	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY					

200L. GENERAL BALANCE SHEET—LIABILITY SIDE—Continued

On page 15, give an abstract of the provisions of the lease bearing on respondent's liability to reimburse the lessee for improvements made on the leased railroad property. If the leasehold contract contains no such provisions, state that fact.

(f)			(g)			(h)			(i)			(j)			(k)			Line No.
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200L. GENERAL BALANCE SHEET—LIABILITY SIDE—Continued

Line No.	Account (a)	East Penn. R.R. (b) Co.	Port Reading R.R. (c) Co.	Wilm. & North. R.R. (d) Co.	(e)
	The above returns exclude respondent's holdings of its own, issued as follows:				
98	(765) Funded debt unmatured				
99	(767) Receivers' and trustees' securities				
100	(763) Debt in default				
101	(791) Capital stock				
	SUPPLEMENTARY ITEMS				
	Amount of interest matured unpaid in default for as long as 90 days:				
102	Amount of interest				
103	Amount of principal involved				
104	Investment carried in account No. 742, "Improvements on leased property," on the books of the lease with respect to respondent's property.	57 700	53 350	121 449	

Note: Provision has not been made for Federal income taxes which may be payable in future years as a result of deductions during the period December 31, 1949, to close of the year of this report for accelerated amortization in excess of recorded depreciation. The amounts by which Federal income taxes have been reduced during the indicated period aggregated: None

Estimated accumulated net reduction in Federal income taxes because of accelerated amortization of certain rolling stock since December 31, 1949, under provisions of Section 184 of the Internal Revenue Code: None

Estimated accumulated net reduction in Federal income taxes because of amortization of certain rights-of-way investment since December 31, 1949, under the provisions of Section 185 of the Internal Revenue Code: None

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

If carrier elected, as provided in the Revenue Act of 1971, to account for the investment tax credit under the deferral method, indicate the total deferred investment tax credit in account 754, Other deferred credits, beginning of year: None

Add investment tax credits applied to reduction of current year's tax liability but deferred for accounting purposes: None

Deduct deferred portion of prior year's investment tax credit used to reduce current year's tax accrual: None

Other adjustments (indicate nature such as recapture on early disposition): None

Total deferred investment tax credit in account 754 at close of year: None

200L. GENERAL BALANCE SHEET—LIABILITY SIDE—Concluded

[illegible]

211. 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. Enter the names of the lessor companies in the column headings.

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. This column should also include both the debits and credits involved in each transfer, adjustment, or clearance

between road and equipment accounts and all adjustments applicable to expenditures for new lines and extensions and additions and betterments. Adjustments in excess of \$100,000 should be explained. Net charges is the difference between gross charges and credits for property retired. All changes made during the year should be analyzed by primary accounts.

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

Line No.	Account (a)	East Pennsylvania Railroad Company		Port Reading Railroad Company		Wilmington & Northern Railroad Company	
		Gross charges during year (b)	Net charges during year (c)	Gross charges during year (d)	Net charges during year (e)	Gross charges during year (f)	Net charges during year (g)
1	(1) Engineering.....	393	332	3 755	(65 461)		(958)
2	(2) Land for transportation purposes.....				(95 477)		(10 673)
3	(24) Other right-of-way expenditures.....						
4	(3) Grading.....			266	(228 608)		(4 979)
5	(5) Tunnels and subways.....						
6	(6) Bridges, trestles, and culverts.....			5 034	(15 307)		
7	(7) Elevated structures.....						
8	(8) Ties.....	889	794	6 278	(9 102)	1 976	1 976
9	(9) Rails.....	1 186	911	5 988	(15 155)	10 608	10 608
10	(10) Other track material.....	2 347	2 218	17 622	(200)		
11	(11) Ballast.....	15 592	15 575	2 517	769	7 216	7 216
12	(12) Track laying and surfacing.....	4 594	4 413	29 216	17 387		
13	(13) Fences, snowsheds, and signs.....				(233)		(128)
14	(16) Station and office buildings.....				(36 900)		(22 329)
15	(17) Roadway buildings.....				(3 161)		
16	(18) Water stations.....						
17	(19) Fuel stations.....				(343)		
18	(20) Shops and enginehouses.....				(73 348)		
19	(21) Grain elevators.....						
20	(22) Storage warehouses.....						
21	(23) Wharves and docks.....				(1 327 028)		
22	(24) Coal and ore wharves.....				(99 401)		
23	(25) TOFC/COFC terminals.....						
24	(26) Communication systems.....	(441)	(1 638)	2 774	(6 181)		(32)
25	(27) Signals and interlockers.....	833	(130)	1 223	902	5 693	5 423
26	(29) Power plants.....				(63 863)		
27	(31) Power-transmission systems.....				(74 799)		
28	(33) Miscellaneous structures.....				(161 940)		
29	(37) Roadway machines.....						
30	(38) Roadway small tools.....						
31	(39) Public improvements—Construction.....	8 256	7 797		(6 003)		(1 718)
32	(43) Other expenditures—Road.....						
33	(46) Shop machinery.....				(11 160)		
34	(48) Power-plant machinery.....			123 392	(182 623)		
35	Other (Specify & explain).....						
36	Total expenditures for road.....	33 649	30 272	198 065	(2 457 235)	25 493	(15 594)
37	(52) Locomotives.....						
38	(53) Freight-train cars.....						
39	(54) Passenger-train cars.....						
40	(55) Highway revenue equipment.....						
41	(56) Floating equipment.....						
42	(57) Work equipment.....						
43	(58) Miscellaneous equipment.....						
44	Total expenditures for equipment.....						
45	(70) Organization expenses.....						
46	(76) Interest during construction.....		143		(40 866)		(1 722)
47	(77) Other expenditures—General.....		8		(4 358)		(312)
48	Total general expenditures.....		151		(45 224)		(2 034)
49	Total.....	33 649	30 121	198 065	(2 502 459)	25 493	(17 628)
50	(80) Construction work in progress.....						
51	Grand total ¹	33 649	30 121	198 065	(2 502 459)	25 493	(17 628)

¹ Do not include in road and equipment accounts, including Account No. 80, "Other elements of investment," adjustments which were made pursuant to the Commission's order, dated April 17, 1933.

211. ROAD AND EQUIPMENT PROPERTY-Continued

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

5. Notes referring to entries in this schedule should be shown on page 18.

6. Report on line 35 amounts not includable in the primary road accounts. The items reported should be briefly identified and explained in a footnote on page 18. 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.

Gross charges during year (c)		Net charges during year (d)		Gross charges during year (j)		Net charges during year (k)		Gross charges during year (l)		Net charges during year (m)		Gross charges during year (n)		Net charges during year (o)		Line No.
\$		\$		\$		\$		\$		\$		\$		\$		
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212. PROPRIETARY COMPANIES

Give particulars called for regarding each inactive proprietary corporation of the lessor companies included in this report (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

Line No.	Item	(a)	(b)	(c)	(d)	(e)
1	Mileage owned: Road					
2	Second and additional main tracks					
3	Passing tracks, cross-overs, and turn-outs					
4	Way switching tracks					
5	Yard switching tracks					
6	Road and equipment property: Road	\$		\$		\$
7	Equipment					
8	General expenditures			NONE		
9	Other property accounts*					
10	Total (account 731)					
11	Improvements on leased property: Road					
12	Equipment					
13	General expenditures					
14	Total (account 732)					
15	Depreciation and amortization (accounts 733, 736, and 785)					
16	Funded debt unmatured (account 765)					
17	Long-term debt in default (account 768)					
18	Amounts payable to affiliated companies (account 769)					
19	Capital stock (account 791)					

*Includes Account Nos. 80, "Other elements of investment," and 90, "Construction work in progress."

212. PROPRIETARY COMPANIES—Conclude 4

set forth in a footnote. The separation of accounts 731 and 732 into "Road," "Equipment," and "General expenditures" should be estimated, if not actually shown on respondent's books. Assign to "General expenditures" only such

amounts as are not included in "Road" or "Equipment." Enter brief designations of the several proprietary companies at the heads of their respective columns and state in footnotes the names of the lessor companies that control them.

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NOTES AND REMARKS REGARDING RETURNS IN SCHEDULE NO. 211 ON PAGES 14 AND 15

ABSTRACT OF THE PROVISIONS OF THE LEASE BEARING ON RESPONDENT'S LIABILITY TO REIMBURSE THE LESSEE FOR IMPROVEMENTS MADE ON THE LEASED RAILROAD PROPERTY

(See instructions on page 11)

East Pennsylvania Railroad Company - Paragraph 9 of the Lease provides East Pennsylvania Railroad Company shall issue at the request of the Reading Company Capital Stock at par equal to the amount expended by the Lessee for Capital Improvements.

The Port Reading Railroad Company - Supplement Agreement dated November 7, 1947, authorized by the Interstate Commerce Commission, October 29, 1947, Finance Docket No. 7142 modifying Operating Agreement dated September 18, 1928, provides that all improvements, additions, betterments, renewals and extensions to property made subsequent to December 31, 1928, shall be paid for by the Port Reading Railroad Company and become part of that Company's property.

The Wilmington and Northern Railroad Company - Paragraph 5 of the Lease provides that the Wilmington and Northern Railroad Company at the request of the Reading Company, shall issue Capital Stock at Par, for cost of additions, extensions and improvements, made by Reading Company with the approval of the Lessor and that thereafter the rental payable shall be increased by a sum equal to the amount which would then be payable as a dividend upon a like amount of Capital Stock Supplemental Lease dated November 7, 1947, authorized by the Interstate Commerce Commission, October 29, 1947, Finance Docket No. 15786 makes no modification of Paragraph 5.

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 217 AND 218

1. Schedules 217 and 218 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of affiliated companies and other investments held by the lessor companies included in this report at the close of the year specifically as investments, including the obligations of a State or local government, or of an individual, so held; investments made, disposed of, or written down during the year; and dividends and interest credited to income. They should exclude securities issued or assumed by respondents. 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 book value pledged, unpledged, and held in fund accounts. Under "pledged" include the book 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 book value of securities recorded in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; and 717, "Insurance and other funds."

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

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

6. 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, express service and facilities, electric railways, highway motor vehicles, steamboats and other marine transportation equipment, pipe lines (other than those for transportation of water), and other instrumentalities devoted to the transportation of persons or property for hire. Telegraph and telephone companies are not meant to be included.

7. 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.

8. 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.

217. INVESTMENTS IN AFFILIATED COMPANIES

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

Enter the name of a reporting lessor company in the body of the schedule and give, there under, particulars of its investments in affiliated companies before listing those of a second lessor. These names should be listed in the order in which they appear on the balance sheet.

Entries in this schedule should be made in accordance with the definitions and general instructions

given on page 19, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c).

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

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

Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be

Line No.	Account No.	Class No.	Kind of Industry	Name of issuing company and description of security held, also lien reference, if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR	
						BOOK VALUE OR AMOUNT HELD AT CLOSE OF YEAR	
						Pledged	Unpledged
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
1			<u>East Pennsylvania R.R. Co.</u>	*			
2	721	A1	VII	<u>Reading Company - First Preferred</u>		2,000	
3							
4							
5			<u>The Port Reading R.R. Co.</u>	*			
6	721	A1	VII	<u>Reading Company - Advances</u>			
7							
8							
9			<u>The Wilmington & Northern R.R. Co.</u>	*			
10	721	A1	VII	<u>Reading Company - Advances</u>			
11							
12							
13							
14							
15							
16			* Companies listed in Schedule and Respondent				
17			are controlled by Reading Company.				
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* Companies listed in Schedule and Respondent are controlled by Reading Company.

217. INVESTMENTS IN AFFILIATED COMPANIES—Continued

reported as "Serially 19-----to 19-----". In making entries in this column, abbreviations in common use in standard financial publications may be used where necessary on account of limited space.

If any of the companies included in this schedule are controlled by respondent, the percent of control should be given in column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.

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

Particulars of investments made, disposed of, or written down during the year should be given in columns (j), (k), and (l). If the cost of any investment made during the year differs from the book value reported in column (j), explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein. If the consideration given or received for such investments was other than cash, describe the transaction in a footnote. Identify all entries in column (k) which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

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

INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.
BOOK VALUE OF AMOUNT HELD AT CLOSE OF YEAR			Book value	Selling price	Rate	Amount credited to income	
In sinking, insurance, and other funds (h)	Total book value (i)	(j)	(k)	(l)	(m)	(n)	
\$	\$	\$	\$	\$	%	\$	
	1,302						1
							2
							3
							4
	688,617		289,711	289,711			5
							6
							7
	134,507	134,507					8
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217. INVESTMENTS IN AFFILIATED COMPANIES—Continued

Line No.	Account No.	Class No.	Kind of Industry	Name of issuing company and description of security held, also lien reference, if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR	
						BOOK VALUE OF AMOUNT HELD AT CLOSE OF YEAR	
						Pledged	Unpledged
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
					%	\$	\$
52							
53							
54							
55							
56							
57							
58							
59							
60							
61							
62							
63							
64							
65							
66							
67							
68							
69							
70							
71				NONE			
72							
73							
74							
75							
76							
77							
78							
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80							
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82							
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105							
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107							
108							
109							
TOTAL							

217. INVESTMENTS IN AFFILIATED COMPANIES—Concluded

INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.
BOOK VALUE OF AMOUNT HELD AT CLOSE OF YEAR			Book value (h)	Selling price (i)	Rate (m) %	Amount credited to income (n)	
In sinking, insurance, and other funds (h)	Total book value (i)						
\$	\$	\$	\$	\$		\$	
							82
							83
							84
							85
							86
							87
							88
							89
							90
							91
							92
							93
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218. OTHER INVESTMENTS

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of all corporations other than affiliated companies, included in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; 722, "Other investments"; and 717, "Insurance and other funds." Investments included in account Nos. 715, 716, and 717 held by trustees in lieu of cash deposits required under the governing instrument are to be excluded from this schedule.

2. Enter the name of a reporting lessor company in the body of the schedule and give, thereunder, particulars of its other investments before listing those of a second lessor. These names should be listed in the order in which they appear on the balance sheet.

3. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 19, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c). Investments in U. S. Treasury bills and notes may be reported as one item.

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

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

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company or government and description of security held, also (see reference, if any)	INVESTMENTS AT CLOSE OF YEAR	
					BOOK VALUE OF AMOUNT HELD AT CLOSE OF YEAR	
					Pledged	Unpledged
	(a)	(b)	(c)	(d)	(e)	(f)
1					\$	\$
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18				NONE		
19						
20						
21						
22						
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46						
47						
48						
49						
50						
51						
52				TOTAL		

218. OTHER INVESTMENTS—Concluded

6. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "serially 10..... to 19....." In making entries in this column, abbreviations in common use in standard financial publications may be used where necessary on account of limited space.

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

8. Particulars of investments made, disposed of, or written down during the year should be given in columns (j) to (n), inclusive. If the cost of any investment made during the year differs from the book value reported in column (i), explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein. If the consideration given or received for such investments was other than cash, describe the transaction in a footnote. Identify all entries in column (j) which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.
BOOK VALUE OF AMOUNT HELD AT CLOSE OF YEAR			Book value	Selling price	Rate	Amount credited to income	
In sinking, insurance, and other funds (g)	Total book value (h)	(i)	(j)	(k)	(l) %	(m)	
							1
							2
							3
							4
							5
							6
							7
							8
							9
							10
							11
							12
							13
							14
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							16
			NONE				17
							18
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							53

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

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

Line No.	Class No. (a)	Name of lessor company (b)	Name of nonreporting carrier or noncarrier subsidiary that owns the securities, advances, or other intangible property (c)	Name of issuing company and security or other intangible thing in which investment is made (d)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21			NONE	
22				
23				
24				
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221. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING CARRIER OR NONCARRIER SUBSIDIARIES—Concluded

This schedule should include all securities, open account advances, and other intangible property owned or controlled through nonreporting carrier and noncarrier subsidiaries, as well as those of other organizations or individuals whose actions respondent is able to determine.

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

Total book value of investments at close of the year (e)	Book value of investments made during the year (f)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		Remarks (i)	Line No.
		Book value (g)	Selling price (h)		
					1
					2
					3
					4
					5
					6
					7
					8
					9
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					55

NONE

25. CAPITAL STOCK

Give particulars of the various issues of capital stock which were in existence at the close of the year.

Show separate returns for each lessor company included in this report, classifying the stocks as follows:

Common.

Preferred.

Debenture.

Receipts outstanding.

State, in a footnote, the class of stock covered by the receipts. In case any "Preferred" or "Debenture" stock is outstanding, the rate of dividend requirements should be shown in column (b), and it should

be stated whether the dividends are cumulative or noncumulative. If the designation of any class of stock shown in column (b) is not sufficiently descriptive to indicate clearly its dividend rights and equity in the assets of the respondent, a complete statement of the facts should be given.

In stating the date of an authorization, the date of the latest assent or ratification necessary to its validity should be shown; e. g., in case an authorization is required to be ratified by stockholders after action by the board of directors, but is not required to be approved by any State or other governmental board or officer, give the date of approval by stockholders; if the assent of a State railroad commission or other public board or officer is necessary, give the date of such assent, or if subsequent

WITH PAR VALUE

Line No.	Name of lessor company (a)	Class of stock (b)	Par value per share (c)	Date issue was authorized (d)	Par value of amount authorized (e)	Total par value outstanding at close of year (f)	Total par value nominally issued and nominally outstanding at close of year					
							In treasury (g)		Pledged as collateral (h)		In sinking or other funds (i)	
1	East Pennsylv-		\$		\$	\$						
2	vania R.R.Co.	Common	50	Various	2 140 150	2 136 900						
3												
4	Port Reading											
5	R.R. Co.	Common	100	Various	2 000 000	2 007 000						
6												
7												
8	Wilmington &											
9	Northern R.R.											
10	Co.	Common	50	4/3/1887	1 500 000	1 500 000						
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
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47												
48												
49												
50												

251. CAPITAL STOCK—Concluded

to such assent notice has to be filed with a secretary of state or other public officer and a tax or other fee has to be paid as a condition precedent to the validity of the issue, give the date of such payment. In case some condition precedent has to be complied with after the approval and ratification of the stockholders has been obtained, state, in a footnote, the particulars of such condition and of the respondent's compliance therewith. 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 (f) and (n) should include stock nominally issued,

nominally outstanding, and actually outstanding. For the purposes of this report, capital stock and other securities are considered to be nominally issued when certificates are signed and sealed and placed with the proper officer for sale and delivery or are pledged or otherwise placed in some special fund of the respondent. They are considered to be actually issued when sold to a bona fide purchaser for a valuable consideration, and such purchaser holds them free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be actually outstanding. If reacquired by or for the respondent under such circumstances as require them to be considered as held alive, and not canceled or retired, they are considered to be nominally outstanding.

Total par value actually out- standing			WITHOUT PAR VALUE										Cash value of consid- eration received for stocks actually out- standing			Line No.
			Class of stock	Date issue was authorized	Number of shares authorized	Number of shares outstanding at close of year	Number of shares nominally issued and nominally outstanding at close of year									
							In treasury	Pledged as collateral	In sinking or other funds							
(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)			
\$														1		
2	126	900												2		
														3		
														4		
2	200	000												5		
														6		
														7		
														8		
														9		
														10		
1	500	000												11		
														12		
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253. CAPITAL STOCK CHANGES DURING THE YEAR

Give full particulars of stocks actually or nominally issued (either original issues or reissues) and of stocks reacquired or canceled during the year. Enter the name of a reporting lessor company in the body of the schedule and give, thereunder, particulars of its capital stock changes during the year before listing those of a second lessor. These

names should be listed in the order in which they appear on the balance sheet. In column (c) state whether issued for construction of new properties, for additions and betterments, for purchase of railway or other property, for conversion, for acquisition of securities, for reorganization, or for other corporate purposes. Also give the number and

Line No.	Class of stock	STOCKS ISSUED DURING YEAR							
		Date of issue	Purpose of the issue and authority	Par value*			Net proceeds received for issue (cash or its equivalent)		
				(d)					
	(a)	(b)	(c)	\$			\$		
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17			NONE						
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									
29									
30									
31									
32									
33									
34									
35									
36									
37									
38									
39									
40									
Total									

* For nonpar stock, show the number of shares.

254. STOCK LIABILITY FOR CONVERSION OF SECURITIES OF OTHER COMPANIES

If at the close of the year the lessor companies included in this report were subject to any liability to issue their own capital stock in exchange for outstanding securities of constituent or other companies, give full particulars thereof hereunder, including names of parties to contracts and

253. CAPITAL STOCK CHANGES DURING THE YEAR—Concluded

date of the authorization by the public authority under whose control such issue was made, naming such authority. In column (e) include as cash all money, checks, drafts, bills of exchange, and other commercial paper payable at par on demand. For nominally issued stock, show returns in columns (a), (b), (c), and (d) only. For each class of par

stock actually issued the sum of the entries in columns (e), (f), and (h), plus discounts or less premiums in column (g), should equal the entry in column (d).

Particulars concerning the reacquirement of stock that was actually outstanding should be given in columns (a), (i), and (j).

STOCKS ISSUED DURING YEAR—Continued									STOCKS REACQUIRED DURING YEAR									Line No.
Cash value of other property acquired or services received as consideration for issue			Net total discounts (in black) or premiums (in red). Excludes entries in column (h)			Expense of issuing capital stock			AMOUNT REACQUIRED						Remarks			
									Par value*									
									Purchase price									
									(f)			(g)				(h)		
\$			\$			\$			\$									
																1		
																2		
																3		
																4		
																5		
																6		
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																40		

* For nonpar stock, show the number of shares.

254. STOCK LIABILITY FOR CONVERSION OF SECURITIES OF OTHER COMPANIES—Concluded

abstracts of terms of contracts whereunder such liability exists.

NONE

NOTES AND REMARKS

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 2a1 ON PAGES 34, 35, 36, AND 37

Give particulars of the various issues of securities in accounts Nos. 765, "Funded debt unmatured," 769, "Debt in default," 767, "Receivers' and trustees' securities," 766, "Equipment obligations," and 764, "Equipment obligations and other debt due within 1 year," at the close of the year, together with interest accrued and interest paid during the year and total amount of matured interest in default. Include receipts outstanding for funded debt with their respective issues.

In column (a) enter the name of a reporting lessor company and give, thereunder, the name of each of its bonds or other obligations before listing those of a second lessor. The names of the lessors should be listed in the order in which they appear on the balance sheet. Classify the funded debt and securities of each lessor by accounts and according to the following designations in the numerical order given:

- (1) Mortgage bonds:
 - (a) With fixed interest.
 - (b) With contingent interest.
- (2) Collateral trust bonds:
 - (a) With fixed interest.
 - (b) With contingent interest.
- (3) Unsecured bonds (Debentures):
 - (a) With fixed interest.
 - (b) With contingent interest.
- (4) Equipment obligations (Corporation):
 - (a) Equipment securities.
 - (b) Conditional or deferred payment contracts.
- (5) Miscellaneous obligations.
- (6) Receivers' and trustees' securities:
 - (a) Equipment obligations.
 - (b) Other than equipment obligations.
- (7) Short-term notes in default.

Give totals for each group and subgroup of bonds or other obligations. Columns (f), (g), (h), (i), and (j) are intended further to classify the obligations of the company and are to be answered "Yes" or "No."

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

If the issue is an income bond, the entry in column (d) should be the annual maximum rate of interest specified by the indenture. In column (k) show the approximate number of miles of road on which the mortgage is a direct first lien and in column (l) the approximate number of miles of road on which the mortgage is a direct junior lien. Do not consider any road or other property indirectly subject to either a first or junior lien through the pledge of collateral, leaseholds, or other contractual rights in making the returns required in columns (i), (j), (k), and (l).

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

Matured obligations amounting to less than \$50,000 which have not been presented for payment may be combined into a single entry designated "Minor items of matured obligations, each less than \$50,000," and the total of such items shown in a footnote.

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

For definitions of "nominally issued," "nominally outstanding," "actually issued," and "actually outstanding," see Schedule 251.

Entries in columns (v) and (w) 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.

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

On page 37, give particulars of changes during the year in funded debt and other obligations, following the same order in which they appear in the prior pages of this schedule.

In column (z) state whether issued for construction of new properties, for additions and betterments, for purchase of railroad or other property for conversion, for acquisition of securities, for reorganization, or for other corporate purposes. Also give the number and date of authorization by the public authority under whose control such issue was made, naming such authority. For nominally issued securities, show returns in columns (z) and (aa) only.

For each class of securities actually issued, the sum of the entries in columns (bb) and (cc), plus discounts or less premiums, such discounts or premiums to be shown in a footnote applicable to each issue, should equal the entry in column (aa). For definition of expense, reportable in column (cc), see Definition 10 in the Uniform System of Accounts for Railroad Companies.

Particulars concerning the reacquirement of securities that were actually outstanding should be reported in columns (a), (dd), and (ee).

Include those securities that have been called for payment during the year for which liability has been transferred to account No. 763, "Other current liabilities."

NOTES AND REMARKS

261. FUNDED DEBT AND OTHER OBLIGATIONS

Line No.	Name of lessor company and name and character of obligation	Nominal date of issue	Date of maturity	INTEREST PROVISIONS		DOES OBLIGATION PROVIDE FOR— (Answer "Yes" or "No")			IS OTHER PROPERTY (REAL OR PERSONAL OR LEASEHOLD) SUB- JECT TO LIEN OF THE OBLIGATION? (Answer "Yes" or "No")	
				Rate per- cent per annum (current year)	Dates due	Conver- sion	Call prior to matu- rity, other than for sinking fund	Sinking fund	First lien	Junior to first lien
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	1-A The Port Reading Railroad Co.	1-1-1891	1-1-1981	3-3/4	Jan. 1 July 1	No	Yes	No	Yes	No
2										
3	1-A The Wilmington & Northern Railroad Company									
4	First Mortgage Bonds	12-1-1887	12-1-1977	4-1/2	June Dec. 1	No	Yes	No	Yes	No
5	General Mortgage Bonds	6-1-1892	6-1-1982	5	Aug. 1	No	No	No	No	Yes
6	Total									
7										
8										
9										
10										
11										
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GRAND TOTAL										=====

261. FUNDED DEBT AND OTHER OBLIGATIONS—Continued

APPROXIMATE NUMBER OF MILES OF LINE DIRECTLY SUBJECT TO—		AMOUNT NOMINALLY ISSUED AND—			AMOUNT REACQUIRED AND—			TOTAL AMOUNT ACTUALLY OUTSTANDING			Line No.
First lien	Junior to first lien	Total amount nominally and actually issued	Held in special funds or in treasury or pledged (Identify pledged securities by symbol "P"; matured by symbol "M")	Canceled	Total amount actually issued	Canceled through sinking fund or otherwise canceled (Identify canceled through sinking fund by symbol "S")	Held in special funds or in treasury or pledged (Identify pledged securities by symbol "P"; matured by symbol "M")	Unmatured (accounts 765, 766, and 767)	Unmatured (account 764)	Matured and no provision made for payment (account 768)	
(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	
		\$ 1 500 000			\$ 1 500 000	\$ 1 000 000		\$ 500 000			1
											2
											3
											4
											5
		516 000			516 000	162 500		353 500			6
		452 000	17 000 (P)		445 000			445 000			7
		978 000	17 000		961 000	162 500		798 500			8
											9
											10
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261. FUNDED DEBT AND OTHER OBLIGATIONS—Continued

Line No.	Name of lessor company and name and character of obligation (List on same lines and in same order as on page 34)	AMOUNT OF INTEREST ACCRUED DURING YEAR						Amount of interest paid during year	Total amount of interest in default
		Charged to income			Charged to investment accounts				
		(a)	(v)	(w)	(x)	(y)			
1	1-A The Port Reading Railroad Co.								
2	First Mortgage Bonds		28	128				28	128
3									
4	1-A The Wilmington & Northern								
5	Railroad Company								
6	First Mortgage Bonds		15	907				15	907
7	General Mortgage Bonds		22	250				22	250
8	Total		38	157				38	157
9									
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261. FUNDED DEBT AND OTHER OBLIGATIONS—Concluded

SECURITIES ISSUED DURING YEAR										SECURITIES REACQUIRED DURING YEAR						Line No.
Purpose of the issue and authority (a)	Par value (aa)			Net proceeds received for issue (cash or its equivalent) (bb)			Expense of issuing securities (cc)			AMOUNT REACQUIRED						
										Par value (dd)			Purchase price (ee)			
	\$			\$			\$									
												258	000	258	000	1
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GRAND TOTAL																57

266. INTEREST ON INCOME BONDS

1. Give particulars concerning interest payable, accrued, paid, and accumulated and unpaid on the securities having contingent interest provisions classified as (1) Mortgage Bonds, (2) Collateral Trust Bonds, and (3) Unsecured Bonds (Debentures), in schedule 261, "Funded Debt and Other Obligations."

2. In columns (a), (b), and (c) state the name, amount, and nominal

rate of interest shown in columns (a), (c), and (d), respectively, in schedule 261, for each security of the kind indicated. List the names of such securities in the same order as in schedule 261.

3. In column (d) show the amount of interest payable for the year at the nominal rate, if earned, on all of the bonds outstanding at the close of the year plus those retired during the year.

Line No.	Name of issue (from schedule 261)	Amount actually outstanding (from schedule 261)	Nominal rate of interest (from schedule 261)	Amount of interest	
				Maximum amount payable, if earned	Amount actually payable under contingent interest provisions, charged to income for the year
	(a)	(b)	(c)	(d)	(e)
1		\$		\$	\$
2					
3					
4					
5					
6					
7					
8					
9	NONE				
10					
11					
12					
13					
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268. AMOUNTS PAYABLE TO AFFILIATED COMPANIES

Give full particulars of amounts included in balance sheet account No. 769, "Amounts payable to affiliated companies," by each lessor company included in this report. Notes and open accounts should be stated separately.

Line No.	Name of debtor company	Name of creditor company
	(a)	(b)
1	East Pennsylvania Railroad Company	Reading Company
2	Wilmington & Northern Railroad Company	Reading Company
3		
4		
5		
6		
7	* Interest on \$61,500 Debenture Bonds, 5% Issue of 10-16-1907, held by	
8	Reading Company.	
9		
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266. INTEREST ON INCOME BONDS—Concluded

4. In column (e) show the amount of interest charged to the income account for the year.

5. In column (f) show the difference between columns (d) and (e).

6. In columns (h), (i), and (j) show the amounts of interest actually paid during the year, segregated in columns (h) and (i) between payments

applicable to the current year's accruals, and those applicable to past accruals.

7. In column (l) show the sum of unearned interest accumulated under the provisions of the security plus earned interest unpaid at the close of the year.

AMOUNT OF INTEREST—Continued

DIFFERENCE BETWEEN MAXIMUM PAYABLE IF EARNED AND AMOUNT ACTUALLY PAYABLE					TOTAL PAID WITHIN YEAR										Period for, or percentage of, for which cumulative, if any (k)	Total accumulated un- earned interest plus earned interest unpaid at the close of the year (l)	Line No	
Current year (f)			All years to date (g)		On account of current year (h)			On account of prior years (i)			Total (j)							
\$			\$		\$			\$			\$				\$			
																		1
																		2
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268. AMOUNTS PAYABLE TO AFFILIATED COMPANIES—Concluded

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

BALANCE AT CLOSE OF YEAR							Rate of interest (f)	INT. REST ACCRUED DURING YEAR				Interest paid during year (i)	Line No.	
Notes (e)		Open accounts (d)			Total (e)			Charged to income (g)		Charged to construction or other investment account (h)				
\$		\$			\$			\$		\$		\$		
		2	113	021	2	113	021	%						1
			61	500		61	500	5		3	075*		3	2
														3
														4
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252. DEPRECIATION BASE—EQUIPMENT OWNED

Show the ledger value of all equipment owned by each lessor company included in this report. The totals of columns (c) and (j) should correspond with the carrier's investment in equipment as carried in the accounts, as of the beginning and close of the year, respectively.

If the depreciation base is other than the ledger value a full explanation should be given, together with a statement by primary accounts reconciling the difference between the figures used as the depreciation base and those carried in the ledger as investment in equipment.

Line No.	Name of lessor company (a)	Account (b)	Balance at beginning of year (c)	DEBITS DURING THE YEAR			CREDITS DURING THE YEAR			Balance at close of year (j)
				Additions and betterments (d)	Other debits (e)	Total debits (f)	Property retired (g)	Other credits (h)	Total credits (i)	
1		(52) Locomotives	\$							\$
2		(53) Freight-train cars								
3		(54) Passenger-train cars								
4		(55) Highway revenue equipment								
5		(56) Floating equipment								
6		(57) Work equipment								
7		(58) Miscellaneous equipment								
8		Total								
11		(52) Locomotives								
12		(53) Freight-train cars								
13		(54) Passenger-train cars								
14		(55) Highway revenue equipment								
15		(56) Floating equipment								
16		(57) Work equipment								
17		(58) Miscellaneous equipment								
18		Total								
21		(52) Locomotives								
22		(53) Freight-train cars								
23		(54) Passenger-train cars								
24		(55) Highway revenue equipment								
25		(56) Floating equipment								
26		(57) Work equipment								
27		(58) Miscellaneous equipment								
28		Total								
31		(52) Locomotives								
32		(53) Freight-train cars								
33		(54) Passenger-train cars								
34		(55) Highway revenue equipment								
35		(56) Floating equipment								
36		(57) Work equipment								
37		(58) Miscellaneous equipment								
38		Total								
41		(52) Locomotives								
42		(53) Freight-train cars								
43		(54) Passenger-train cars								
44		(55) Highway revenue equipment								
45		(56) Floating equipment								
46		(57) Work equipment								
47		(58) Miscellaneous equipment								
48		Total								

81	(52) Locomotives	
82	(53) Freight-train cars	
83	(54) Passenger-train cars	
84	(55) Highway revenue equipment	
85	(56) Floating equipment	
86	(57) Work equipment	
87	(58) Miscellaneous equipment	
88	Total	
89	(52) Locomotives	
90	(53) Freight-train cars	
91	(54) Passenger-train cars	
92	(55) Highway revenue equipment	
93	(56) Floating equipment	
94	(57) Work equipment	
95	(58) Miscellaneous equipment	
96	Total	
97	(52) Locomotives	
98	(53) Freight-train cars	
99	(54) Passenger-train cars	
100	(55) Highway revenue equipment	
101	(56) Floating equipment	
102	(57) Work equipment	
103	(58) Miscellaneous equipment	
104	Total	
105	(52) Locomotives	
106	(53) Freight-train cars	
107	(54) Passenger-train cars	
108	(55) Highway revenue equipment	
109	(56) Floating equipment	
110	(57) Work equipment	
111	(58) Miscellaneous equipment	
112	Total	
113	(52) Locomotives	
114	(53) Freight-train cars	
115	(54) Passenger-train cars	
116	(55) Highway revenue equipment	
117	(56) Floating equipment	
118	(57) Work equipment	
119	(58) Miscellaneous equipment	
120	Total	
121	(52) Locomotives	
122	(53) Freight-train cars	
123	(54) Passenger-train cars	
124	(55) Highway revenue equipment	
125	(56) Floating equipment	
126	(57) Work equipment	
127	(58) Miscellaneous equipment	
128	Total	
129	(52) Locomotives	
130	(53) Freight-train cars	
131	(54) Passenger-train cars	
132	(55) Highway revenue equipment	
133	(56) Floating equipment	
134	(57) Work equipment	
135	(58) Miscellaneous equipment	
136	Total	
137	(52) Locomotives	
138	(53) Freight-train cars	
139	(54) Passenger-train cars	
140	(55) Highway revenue equipment	
141	(56) Floating equipment	
142	(57) Work equipment	
143	(58) Miscellaneous equipment	
144	Total	
145	(52) Locomotives	
146	(53) Freight-train cars	
147	(54) Passenger-train cars	
148	(55) Highway revenue equipment	
149	(56) Floating equipment	
150	(57) Work equipment	
151	(58) Miscellaneous equipment	
152	Total	
153	(52) Locomotives	
154	(53) Freight-train cars	
155	(54) Passenger-train cars	
156	(55) Highway revenue equipment	
157	(56) Floating equipment	
158	(57) Work equipment	
159	(58) Miscellaneous equipment	
160	Total	
161	(52) Locomotives	
162	(53) Freight-train cars	
163	(54) Passenger-train cars	
164	(55) Highway revenue equipment	
165	(56) Floating equipment	
166	(57) Work equipment	
167	(58) Miscellaneous equipment	
168	Total	
169	(52) Locomotives	
170	(53) Freight-train cars	
171	(54) Passenger-train cars	
172	(55) Highway revenue equipment	
173	(56) Floating equipment	
174	(57) Work equipment	
175	(58) Miscellaneous equipment	
176	Total	
177	(52) Locomotives	
178	(53) Freight-train cars	
179	(54) Passenger-train cars	
180	(55) Highway revenue equipment	
181	(56) Floating equipment	
182	(57) Work equipment	
183	(58) Miscellaneous equipment	
184	Total	
185	(52) Locomotives	
186	(53) Freight-train cars	
187	(54) Passenger-train cars	
188	(55) Highway revenue equipment	
189	(56) Floating equipment	
190	(57) Work equipment	
191	(58) Miscellaneous equipment	
192	Total	
193	(52) Locomotives	
194	(53) Freight-train cars	
195	(54) Passenger-train cars	
196	(55) Highway revenue equipment	
197	(56) Floating equipment	
198	(57) Work equipment	
199	(58) Miscellaneous equipment	
200	Total	

NONE

265. ACCRUED DEPRECIATION—ROAD AND EQUIPMENT

Give the particulars called for hereunder of the credits and debits made to account 735, "Accrued depreciation—Road and Equipment," during the year which relate to equipment by each lessor company included in this report. A debit balance in column (c) or (j) for any primary account should be preceded by the abbreviation "Dr."

Line No.	Name of lessor company (a)	Account (b)	Balance at beginning of year (c)		CREDITS TO RESERVE DURING THE YEAR			DEBITS TO RESERVE DURING THE YEAR			Balance at close of year (j)
					Charges to others (d)	Other credits (e)	Total credits (f)	Charges for retirements (g)	Other debits (h)	Total debits (i)	
1		(52) Locomotives	\$	\$			\$			\$	\$
2		(53) Freight-train cars									
3		(54) Passenger-train cars									
4		(55) Highway revenue equipment									
5		(56) Floating equipment									
6		(57) Work equipment									
7		(58) Miscellaneous equipment									
8		Total									
11		(52) Locomotives									
12		(53) Freight-train cars									
13		(54) Passenger-train cars									
14		(55) Highway revenue equipment									
15		(56) Floating equipment									
16		(57) Work equipment									
17		(58) Miscellaneous equipment									
18		Total									
21		(52) Locomotives									
22		(53) Freight-train cars									
23		(54) Passenger-train cars									
24		(55) Highway revenue equipment									
25		(56) Floating equipment									
26		(57) Work equipment									
27		(58) Miscellaneous equipment									
28		Total									
31		(52) Locomotives									
32		(53) Freight-train cars									
33		(54) Passenger-train cars									
34		(55) Highway revenue equipment									
35		(56) Floating equipment									
36		(57) Work equipment									
37		(58) Miscellaneous equipment									
38		Total									
41		(52) Locomotives									
42		(53) Freight-train cars									
43		(54) Passenger-train cars									
44		(55) Highway revenue equipment									
45		(56) Floating equipment									
46		(57) Work equipment									
47		(58) Miscellaneous equipment									
48		Total									

286. DEPRECIATION RESERVE—ROAD AND MISCELLANEOUS PHYSICAL PROPERTY

Give a classified statement, for each lessor company included in this report, of the credits to the reserve accounts for depreciation of road and miscellaneous physical property during the year, and the charges to the reserve accounts during the year because of property retired; also the balances in the accounts at the beginning and at the close of the year.

Line No.	Item (a)	East Penn. R.R. (b) Co.		Port Reading Wilm. & North. R.R. (c) Co.		R.R. (d) Co.		(e)	
		\$	None	\$	1 405 356	\$	818 942	\$	
1	Balances at beginning of year								
2	Accrued depreciation—Road								
3	Accrued depreciation—Miscellaneous physical property								
4	Road property (specify):								
5	Engineering				2 171		1 519		
6	Grading				294		972		
7	Bridges, trestles & culverts				11 124		14 589		
8	Fences, snowsheds & signs				111		401		
9	Station & office buildings				1 660		4 236		
10	Roadway buildings				144		118		
11	Water stations				115				
12	Fuel stations						287		
13	Shops & enginehouses				2 843		1 331		
14	Wharves & docks						3 649		
15	Coal & ore wharves				32 022				
16	TOFC/COFC terminals				3 934				
17	Communication systems				1 187		1 248		
18	Signals & interlockers				2 292		4 304		
19	Power plants				1 316				
20	Power transmission systems				2 980		110		
21	Miscellaneous structures				3 883		8		
22	Public improvements - Constr.				1 398		1 510		
23	Shop machinery				498		663		
24	Power plant machinery				5 109				
25	Miscellaneous physical property (specify):								
26									
27									
28									
29									
30									
31	TOTAL CREDITS		None		73 081		34 845		
32	Debits								
33	Road property (specify):								
34	Engineering				16 078		1 826		
35	Grading				12 746		2 720		
36	Bridges, trestles & culverts				15 911		6 857		
37	Fences, snowsheds & signs				737				
38	Station & office buildings				18 043		42 821		
39	Roadway buildings				1 469				
40	Shops & enginehouses				40 025				
41	Wharves & docks						12 410		
42	Coal & ore wharves				787 321				
43	TOFC/COFC terminals				20 641				
44	Communication systems				7 911		18 981		
45	Signals & interlockers				288		289		
46	Power plants				30 657				
47	Power transmission systems				45 725				
48	Miscellaneous structures				103 951				
49	Shop machinery				9 068				
50	Power plant machinery				142 001				
51	Miscellaneous physical property (specify):								
52									
53									
54									
55	TOTAL DEBITS		None		1 252 082		85 904		
56	Balances at close of year		None		226 355		767 883		
57	Accrued depreciation—Road								
58	Accrued depreciation—Miscellaneous physical property								

286. DEPRECIATION RESERVE--ROAD AND MISCELLANEOUS PHYSICAL PROPERTY--Concluded

Enter the names of the lessor companies in the column headings. All debits or credits to the reserve respecting amortization, if a general amortization program has been authorized, should be included.

(f)			(g)			(h)			(i)			(j)			(k)			Line No.
																		1
																		2
XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3
																		4
																		5
																		6
																		7
																		8
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																		19
																		20
																		21
XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	22
																		23
																		24
																		25
																		26
																		27
XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	28
																		29
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																		42
																		43
																		44
																		45
																		46
XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	47
																		48
																		49
																		50
																		51
																		52
																		53
																		54
																		55

287. DEPRECIATION RATES—ROAD AND MISCELLANEOUS PHYSICAL PROPERTY

Give a statement of the percentages used by each lessor company for computing the amounts accrued for depreciation during the year on various classes of road and miscellaneous physical property, together with the estimated life of the property upon which such percentages are based.

Line No.	Name of lessor company (a)	Class of property on which depreciation was accrued (b)	Estimated life (in years) (c)	Annual rate of depreciation (d)	Name of lessor company (e)	Class of property on which depreciation was accrued (f)	Estimated life (in years) (g)	Annual rate of depreciation (h)
1				%				%
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20				NONE				
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								
41								
42								
43								

300. INCOME ACCOUNT FOR THE YEAR

1. Show hereunder the Income Account of each lessor company included in this report, entering the names of the lessor companies in the column headings. For instructions covering this schedule, see the text pertaining to Income Accounts in the Uniform System of Accounts for Railroad Companies.

018501 018502 018503

Line No.	Item (a)	Schedule No.	East Penn. R.R. Co.			Port Reading R.R. Co.			Wilm. & North. R.R. Co.			(e)		
			(b)			(c)			(d)			(e)		
1	ORDINARY ITEMS		\$			\$			\$			\$		
2	RAILWAY OPERATING INCOME		11	11	11	11	11	11	11	11	11	11	11	11
3	(501) Railway operating revenues		11	11	11	11	11	11	11	11	11	11	11	11
4	(531) Railway operating expenses													
5	Net revenue from railway operations													
6	(532) Railway tax accruals (p. 54)	350												
7	Railway operating income													
8	RENT INCOME		11	11	11	11	11	11	11	11	11	11	11	11
9	(503) Hire of freight cars and highway revenue freight equipment—credit balance													
10	(504) Rent from locomotives													
11	(505) Rent from passenger-train cars													
12	(506) Rent from floating equipment													
13	(507) Rent from work equipment													
14	(508) Joint facility rent income													
15	Total rent income													
16	RENTS PAYABLE		11	11	11	11	11	11	11	11	11	11	11	11
17	(536) Hire of freight cars and highway revenue freight equipment—debit balance													
18	(537) Rent for locomotives													
19	(538) Rent for passenger-train cars													
20	(539) Rent for floating equipment													
21	(540) Rent for work equipment													
22	(541) Joint facility rents													
23	Total rents payable													
24	Net rents (lines 15, 23)													
25	Net railway operating income (lines 7, 24)													
26	OTHER INCOME		11	11	11	11	11	11	11	11	11	11	11	11
27	(502) Revenues from miscellaneous operations (p. 53)													
28	(509) Income from lease of road and equipment (p. 56)	371	22	113		28	128		41	232				
29	(510) Miscellaneous rent income													
30	(511) Income from nonoperating property													
31	(512) Separately operated properties—profit													
32	(513) Dividend income													
33	(514) Interest income					37	159							
34	(515) Income from sinking and other reserve funds								402					
35	(517) Release of premiums on funded debt													
36	(518) Contributions from other companies													
37	(519) Miscellaneous income		(	17	853)	2	379		194	031				
38	Total other income		4	260		67	666		235	665				
39	Total income (lines 25, 38)		4	260		67	666		235	665				
40	MISCELLANEOUS DEDUCTIONS FROM INCOME		xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx
41	(534) Expenses of miscellaneous operations (p. 53)													
42	(535) Taxes on miscellaneous operating property (p. 53)													
43	(543) Miscellaneous rents													
44	(544) Miscellaneous tax accruals													
45	(545) Separately operated properties—loss													
46	(549) Maintenance of investment organization													
47	(550) Income transferred to other companies													
48	(551) Miscellaneous income charges					21	210		3	571				
49	Total miscellaneous deductions					21	210		3	571				
50	Income available for fixed charges (lines 39, 49)		4	260		46	456		232	094				

300. INCOME ACCOUNT FOR THE YEAR—Continued

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

3. Any unusual accruals involving substantial amounts included on lines 9 to 63, inclusive, should be fully explained in a footnote.

(f)			(g)			(h)			(i)			(j)			(k)			Line No.
\$			\$			\$			\$			\$			\$			
xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	1
xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	2
																		3
																		4
																		5
																		6
																		7
xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	8
																		9
																		10
																		11
																		12
																		13
																		14
																		15
xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	16
																		17
																		18
																		19
																		20
																		21
																		22
																		23
																		24
																		25
xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	26
																		27
																		28
																		29
																		30
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																		32
																		33
																		34
																		35
																		36
																		37
																		38
																		39
xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	40
																		41
																		42
																		43
																		44
																		45
																		46
																		47
																		48
																		49
																		50

NOTE: Deductions because of accelerated amortization of emergency facilities in excess of recorded depreciation resulted in reduction of Federal income taxes for the year of this report in the amount of \$ None.

Flow-through Deferral

Not Applicable

Deduct amount of current year's investment tax credit applied to reduction of tax liability but deferred for accounting purposes

Balance of current year's investment tax credit used to reduce current year's tax accrual \$

Add amount of prior years' deferred investment tax credits being amortized and used to reduce current year's tax accrual -

Total decrease in current year's tax accrual resulting from use of investment tax credits \$

1. Show hereunder the Retained Income Accounts of each lessor company included in this report, entering the names of the lessor companies in the column headings. For instructions covering this schedule, see the text pertaining to Retained Income Accounts in Uniform System of Accounts.

RAILROAD CORPORATION—LESSOR—E

300. INCOME ACCOUNT FOR THE YEAR—Concluded

(f)			(g)			(h)			(i)			(j)			(k)			Line No.
\$			\$			\$			\$			\$			\$			51
X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	52
X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	53
																		54
																		55
																		56
																		57
																		58
																		59
X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	60
X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	61
																		62
X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	X X	63
																		64
																		65
																		66
																		67
																		68
																		69

305. RETAINED INCOME—UNAPPROPRIATED—Concluded

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

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

(f)			(g)			(h)			(i)			(j)			(k)			Line No.
\$			\$			\$			\$			\$			\$			1
																		2
																		3
																		4
																		5
																		6
																		7
																		8
																		9
																		10
																		11
																		12
																		13

308. DIVIDENDS DECLARED

Give particulars of each dividend declared by each lessor company included in this report. For par value or nonpar stock, show in column (e) 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 (c) or (d). If any such dividend was payable in anything other than cash; or, 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 after such payment; or, if any class of stock received a return not reportable in this schedule, explain the matter fully in the remarks column. For nonpar stock, show the number of shares in column (e) and the rate per share in column (c) or (d). The dividends in column (f) should be totaled for each company. The sum of the dividends stated in column (f) should equal the amount shown in schedule No. 305.

Line No.	Name of lessor company (a)	Name of security on which dividend was declared (b)	RATE PER CENT (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 (e)	Dividends (Amount) (f)	DATE		Remarks (i)
			Regular (c)	Extra (d)			Declared (g)	Payable (h)	
1	East Pennsylvania	Capital Stock	3		\$ 368 550	\$ 11 056	See	3rd Tues.	
2	Railroad Company	"	3		368 550	11 057	Note A	Jan.-July	
3						22 113			
4									
5									
6									
7									
8									
9									
10									
11									
12	Note A - Dividends are payable by Reading Company as rent for the East Pennsylvania property,								
13	and are being deferred during Reading Company's reorganization.								
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									
29									
30									
31									
32									
33									
34									
35									
36									
37									
38									
39									
40									
41									

Give particulars of each class of miscellaneous physical property or plant operated by each lessor company included in this report during the year. If any of the operations listed in this schedule were discontinued before the close of the year, explain the matter in a footnote. 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 (b)	Total expenses during the year (c)	Total taxes applicable to the year (d)
1		\$	\$	\$
2				
3				
4	NONE			
5				
6				
7				
8				
9				
10	TOTAL			

350. RAILWAY TAX ACCRUALS

1. Give particulars called for of the "Other than U. S. Government taxes" and "U. S. Government taxes" accrued and charged to account No. 532, "Railway tax accruals," during the year.

2. Enter in the column headings the names of the lessor companies which accrued the taxes.

3. In section A show for each State the taxes accrued which were levied by the State Governments (or Governments other than the United States).

4. In section B give an analysis by kind of U. S. Government taxes.

5. Substantial adjustments included in the amounts reported should be explained in a footnote.

Line No.	Name of State and kind of tax (a)	Amount			Amount			Amount			Amount			Amount		
		\$			\$			\$			\$			\$		
	A. Other Than U. S. Government Taxes (Enter names of States)															
1																
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	Total—Other than U. S. Government taxes															
	B. U. S. Government Taxes															
27	Income taxes															
28	Old-age retirement															
29	Unemployment insurance															
30	All other United States taxes															
31	Total—U. S. Government taxes															
32	GRAND TOTAL—Railway Tax Accruals (account 532)															

NOTES AND REMARKS

371. INCOME FROM LEASE OF ROAD AND EQUIPMENT

1. Give particulars called for with respect to road and equipment leased to others during the year, the rent of which is includible in account No. 509, "Income from lease of road and equipment."

2. If the respondent leased to others during all or any part of the year any road and equipment upon which no rent receivable accrued, give particulars in a footnote.

Line No.	Description of Road			Name of present leaseholder (d)	RENT ACCRUED DURING YEAR					
	Name of lessor company (a)	Terminal (b)	Length (c)		Total (e)		Depreciation (f)		All other (Account 509) (g)	
1	East Pennsylvania Railroad Company	Reading to Allentown, Pennsylvania	35.81	Reading Company	\$	22 113	\$		\$	
2										
3										
4	Port Reading Railroad Company	Manville to Port Reading, New Jersey	20.31	Reading Company		28 128				
5										
6										
7	Wilmington & Northern Railroad Company	Wilmington, Delaware, to Highs Farm, Pennsylvania	82.96	Reading Company		41 232				
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
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36										
37										
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39										
40										
41										
42										

371A. ABSTRACT OF TERMS AND CONDITIONS OF LEASES

Give brief abstracts of the terms and conditions of the leases under which the above stated rents are derived, showing particularly (1) the name of lessor, (2) the name of lessee, (3) the date of the grant, (4) the chain of title (in case of assignment or subletting) and dates of transfer connecting the original parties with the present parties, (5) the basis on which the amount of the annual rent is determined, and (6) the date when the lease will terminate, or, if the date of

termination has not yet been fixed, the provisions governing the termination of the lease. Also give reference to the Commission's authority for the lease, if any. If none, state the reasons therefor.

Copies of leases may be filed in lieu of abstracts above called for. References to copies filed in prior years should be specific.

NOTE.—Only changes during the year are required.—Indicate the year in which reference was made to the original lease, and also the years in which any changes in lease were mentioned.

383. RENTS FOR LEASED ROADS AND EQUIPMENT

1. Give particulars called for with respect to roads and equipment leased from others during the year, the rent for which is includible in account No. 542, "Rent for leased roads and equipment."
2. Rents payable which are not classifiable under one of the three heads provided should be explained in a footnote.

3. Taxes paid or payable by the respondent as a part of the stipulated rent should be included in column (f) and specifically stated under "Remarks."
4. This account includes amounts payable accrued as rent for roads, tracks, or bridges (including equipment or other railroad property covered

Line No.	Name of leaseholder (a)	Name of lessor company (b)	Total rent accrued during year (c)		
			\$		
1					
2					
3					
4		NONE			
5					
6					
7					
8					
9					
10					

383A. ABSTRACT OF LEASEHOLD CONTRACTS

Give brief abstracts of the terms and conditions of the leases under which the above-named properties are held, showing particularly (1) the name of lessee, (2) the name of lessor, (3) the date of the lease, (4) the

chain of title and dates of transfer connecting the original parties with the present parties in case of assignment or subletting, (5) the basis on which the amount of the annual rent is determined, and (6) the date

NOTE.—Only changes during the year are required.

NONE

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

Give a detailed analysis regardless of the amounts of all items included in accounts 570, "Extraordinary items"; 580, "Prior period items"; and 590 "Federal income taxes on extraordinary and prior period items; 606, "Other credits to retained income" and 616, "Other debits to retained income."

Line No.	Name of lessor company (a)	Account No. (b)	Item (c)	Debits (d)		Credits (e)	
				\$		\$	
1	Port Reading		To record profit from sale of land to Public			3,105	590
2	Railroad Company	570	Service Electric & Gas Company per authority				
3			of Interstate Commerce Commission, letter				
4			dated January 21, 1974.				
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							

383. RENTS FOR LEASED ROADS AND EQUIPMENT—Concluded

by the contract), and for specific equipment held under lease for 1 year or more, the property being owned by other companies, and held under lease or other agreement by the terms of which exclusive use and control for operating purposes are secured.

5. If the reporting companies held under lease, during all or any part of the year, road on which no rent payable accrued, or if any portion of the charge shown hereunder is for construction on a line in which the leasehold interest will soon expire, give full particulars in the "Remarks" column.

CLASSIFICATION OF RENT									Remarks (g)	Line No.
Guaranteed interest on bonds (d)			Guaranteed dividends on stocks (e)			Cash (f)				
\$			\$			\$				
										1
										2
										3
										4
										5
										6
										7
										8
										9
										10

383A. ABSTRACT OF LEASEHOLD CONTRACTS—Concluded

when the lease is to terminate, or, if such date has not yet been determined, the provisions governing its determination. Also give reference to the Commission's authority for the lease, if any. If none, state the reasons therefor.

In lieu of the abstracts here called for, copies of lease agreements may be filed. Reference to copies filed in prior years should be given in connection with any changes in terms and conditions of the leasehold contracts.

396. SELECTED ITEMS IN INCOME AND RETAINED INCOME ACCOUNTS FOR THE YEAR—Concluded

Each item recorded in accounts 606 and 616 amounting to \$5,000 or more should be stated; items less than \$5,000 may be combined in a single entry, designated "Minor items, each less than \$5,000."

Line No.	Name of lessor company (a)	Account No. (b)	Item (c)	Debits (d)		Credits (e)	
				\$		\$	
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41			NONE				
42							
43							
44							
45							
46							
47							
48							
49							
50							
51							
52							
53							
54							
55							
56							
57							
58							
59							
60							

411. TRACKS OWNED AT CLOSE OF YEAR
(For lessors to other than switching and terminal companies)

Give particulars of the mileage owned by each lessor company included in this report. If a company of this class controls any mileage by lease, and, in turn, subleases such mileage to another company, give particulars in a footnote. In giving "Miles of road", column (c), state the actual single-track distance between termini.

The classes of tracks are defined as follows:

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

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

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

In the lower table, classify the mileage of road owned at close of year by States and Territories. The figures should apply to single-track mileage only. Enter names of States or Territories in the column headings. Lengths should be stated to the nearest hundredth of a mile.

Line No.	Name of road	Termini between which road named extends	RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				Miles of way switching tracks	Miles of yard switching tracks	Total
			Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, etc.			
			(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	East Pennsylvania Railroad Company	Reading, Penn. to Allentown, Penn.	35 81	27 60		6 28	3 08	13 04	85 81
2									
3	Port Reading Railroad Company	Manville, New Jersey to Port Reading, New Jersey	20 31			12 74	1 29	9 89	44 23
4									
5	Wilmington & Northern Railroad Company	Wilmington, Delaware to Highs Farm, Penn.	82 96			16 90	2 45	18 98	121 29
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									

MILES OF ROAD OWNED AT CLOSE OF YEAR—BY STATES AND TERRITORIES—(Single Track)

Line No.	Name of road	(Enter names of States or Territories in the column headings)																Total	
		Pennsylvania		New Jersey		Delaware													
25	East Penn.																		
26	R.R. Co.			35	81														35 81
27																			
28	Port Reading																		
29	R.R. Co.							20	31										20 31
30																			
31	Wilm. & North.																		
32	R.R. Co.			62	09							20	87						82 96
33																			
34																			

Give particulars of the mileage owned by lessors to switching and terminal companies. If a company of this class controls any mileage by lease, and, in turn, subleases such mileage to another company, give particulars in a footnote.

In the lower table, classify the mileage of tracks owned at close of year by States and Territories. Enter names of States or Territories in the column headings. Lengths should be stated to the nearest hundredth of a mile.

Line No.	Name of road (a)	Location (b)	Mileage of tracks owned (c)	Name of lessee (d)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

[illegible]

418501

ANNUAL REPORT 1973
READING CO.

2 OF 2

561. EMPLOYEES AND COMPENSATION

1. Give the average number of employees in the service of the lessor companies included in this report and the total compensation paid to them. General officers who served without compensation or were carried on the pay rolls of another company, and pensioners rendering no service, are not to be included.

2. Averages called for in columns (b), (c), and (d) should be the average of 12 middle-of-month counts.

3. This schedule does not include old-age retirement, and unemployment insurance taxes. See schedule 350 for such taxes.

Line No.	Name of lessor company (a)	AVERAGE NUMBER OF EMPLOYEES IN SERVICE			TOTAL COMPENSATION DURING YEAR		
		Executives, general officers, and staff assistants (b)	Other employees (c)	Total employees (d)	Executives, general officers, and staff assistants (e)	Other employees (f)	Total compensation (g)
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							

The respondents are leased lines of Reading Company and their Officers are also Officers of said Lessee Company and their time on duty and compensation are included in the report of that Company. It is impracticable to assign a portion of their time on duty and compensation to the respondents for the reason that their duties in relation to organization matters are negligible.

562. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

Give the name, position, salary, and other compensation, such as bonus, commission, gift, reward, or fee, of each officer, director, pensioner, or employee to whom the lessor companies included in this report paid \$40,000 or more during the year as compensation for current or past services over and above necessary expenses incurred in discharge of their duties.

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 of the system with a reference thereto in this report.

Any large "Other compensation" should be explained.

Line No.	Name of lessor company (a)	Name of person (b)	Title (c)	Salary per annum as of close of year (d)	Other compensation during the year (e)	Remarks (f)
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						

See Schedule 561

563. PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Give particulars concerning payments, fees, retainers, commissions, gifts, contributions, assessments, bonuses, pensions, subscriptions, allowances for expenses, or any form of payments amounting in the aggregate to \$5,000 or more during the year to any corporation, institution, association, firm, partnership, committee, or any person (other than one of respondents' employees covered in schedule 562 in this annual report) for services or as a donation.

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 should be excluded, but any special or unusual payments for services should be reported.

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 of the system with a reference thereto in this report.

Line No.	Name of lessor company (a)	Name of recipient (b)	Nature of service (c)	Amount of payment (d)	Remarks (e)
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					

NONE

581. CONTRACTS, AGREEMENTS, ETC.

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

1. Express companies.
2. Mail.
3. Sleeping, parlor, and dining car companies.
4. Freight or transportation companies or lines.
5. Other railway companies.
6. Steamboat or steamship companies.
7. Telegraph companies.
8. Telephone companies.
9. Equipment purchased under conditional sales contracts.
10. Other contracts.

Under item 9, give particulars of conditional sales agreements, lease or rental contracts, and other similar instruments, entered into by respondent for the purchase of equipment, which provide for payment in installments and do not involve the issuance of securities by respondent. State the names of the parties to the contracts or agreements, the number of units of each class of equipment covered, and the terms and conditions of payment.

Information concerning contracts of minor importance may be omitted. A contract of minor importance is defined as one involving receipts or payments of less than \$5,000 per year, and which by its terms is otherwise unimportant.

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

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

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

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

NONE

591. CHANGES DURING THE YEAR

Hereunder state the matters called for. Make the statements explicit and precise, and number them in accordance with the inquiries; each inquiry should be fully answered, and if the word "none" truly states the fact it may be used in answering any particular inquiry. Changes in mileage should be reported by classes and stated to the nearest hundredth of a mile.

1. All increases and decreases in mileage, classifying the changes in the tables below as follows:
(Class 1) Line owned by respondent.
(Class 2) Line owned by proprietary companies.

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

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

4. Adjustments in the book value of securities owned, and reasons therefor.
5. Other financial changes of more than \$50,000, not elsewhere provided for, giving full particulars.

INCREASES IN MILEAGE

Line No.	Class	Name of lessor company	Main (M) or branch (B) line	RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				Miles of way switching tracks	Miles of yard switching tracks	Total
				Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, and turn-outs			
(a)	(b)		(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	1	East Pennsylvania Railroad Company					02	01		03
2										
3	1	Port Reading Railroad Company					08	19		27
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14		TOTAL INCREASE					10	20		30

DECREASES IN MILEAGE

21	1	Port Reading Railroad Company							6 76	6 76
22										
23										
24										
25										
26										
27										
28										
29										
30										
31										
32										
33										
34										
35										
36		TOTAL DECREASE							6 76	6 76

If returns under Inquiry No. 1 on page 64 include any first main track owned by respondent or its proprietary companies representing new construction or permanent abandonment give the following particulars:

Line No.	OWNED BY RESPONDENT			OWNED BY PROPRIETARY COMPANIES		
	Name of line company (a)	MILES OF ROAD		Name of proprietary company (d)	MILES OF ROAD	
		Constructed (b)	Abandoned (c)		Constructed (e)	Abandoned (f)
40						
41						
42						
43						
44						
45						
46						
47				NONE		
48						
49						
50						

The item "miles of road constructed" is intended to show the mileage of first main track laid to extend respondent's road, and should not include tracks relocated and tracks laid to shorten the distance between two points, without serving any new territory. By "road abandoned" is meant permanently abandoned, the cost of which has been or is to be written out of the investment accounts.

VERIFICATION

The foregoing report must be verified by the oath of the officer having control of the accounting of the respondents. It should be verified, also, by the oath of the president or other chief officer of the respondents, unless the respondents state on the last preceding page of this report that such chief officer has no control over the accounting of the respondents. 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 respondents)

State of **PENNSYLVANIA**

County of **PHILADELPHIA**

T. J. GIRLIN

(Insert here the name of the affiant)

makes oath and says that he is

COMPTROLLER

(Insert here the official title of the affiant)

of

(Insert here the exact legal title or names of the respondent(s))

East Pennsylvania Railroad Company

The Port Reading Railroad Company

The Wilmington and Northern Railroad Company

that it is his duty to have supervision over the books of account of the respondents 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 respondents during the period of time from and, including

January 1, 19**73**, to and including **December 31**, 19**73**

Subscribed and sworn to before me, a

NOTARY PUBLIC

in and for the State and

county above named, this

28th

day of

MARCH

19**74**

My commission expires

January 4, 1978

Charles S. Beaver

(Signature of officer authorized to administer oath)

[Use an
L. S.
impression seal]

VERIFICATION —Concluded

SUPPLEMENTAL OATH

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

State of **PENNSYLVANIA**County of **PHILADELPHIA****C. E. BERTRAND**

(Insert here the name of the affiant)

makes oath and says that he is

PRESIDENT

(Insert here the official title of the affiant)

of

(Insert here the exact legal titles or names of the respondents)

East Pennsylvania Railroad Company**The Port Reading Railroad Company****The Wilmington and Northern Railroad Company**

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 respondents during the period of time from and including

January 1, 19**73**, to and including **December 31**, 19**73**

[Signature]
 Notary Public

[Signature]
 (Signature of affiant)

Subscribed and sworn to before me, a **NOTARY PUBLIC**, in and for the State and

county above named, this **28th** day of **MARCH**, 19**74**

My commission expires

January 4, 1975

Use an
 L. S.
 impression seal

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

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