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1969

THE

TEXAS

MEXICAN

RAILWAY

COMPANY

3
2607

INTERSTATE
COMMERCE COMMISSION
RECEIVED

BUDGET BUREAU
No. 60-R099.21

APR 10 1970

RECORDS & SERVICE
MAIL BRANCH

ORIGINAL

ANNUAL REPORT

OF

The Texas Mexican Railway Company
Laredo Texas

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1969

NOTICE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Switching and terminal companies are further classified as:

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

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

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

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

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

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

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

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

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

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 7: Schedule 701. Road and Equipment Property

Provision made for reporting Leased property capitalized rentals, and Other investments; instructions added for these items.

Page 13: Schedule 1302. Depreciation Base and Rates—Road and Equipment Owned and Used and Leased from Others

Instructions amended to clarify reporting of data applicable to improvements on leased property.

Page 30A: Schedule 2602. Revenue Freight Carried During the Year

Check-off items inserted to expand information regarding filing of supplemental reports.

Page 32: Schedule 2801. Inventory of Equipment

Freight train car type codes revised to reflect new AAR car type codes effective January 1, 1969.

Page 36: Schedule 701. Road and Equipment Property

Provision made for reporting Leased property capitalized rentals, and Other investments; instructions added for these items.

ANNUAL REPORT

OF

THE TEXAS MEXICAN RAILWAY COMPANY

LAREDO, TEXAS

FOR THE

YEAR ENDED DECEMBER 31, 1969

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

(Name) Milton Conring (Title) Auditor and Secretary

(Telephone number) 512 722-6461
(Area code) (Telephone number)

(Office address) P. O. Box 419 - Laredo, Texas 78040
(Street and number, City, State, and ZIP code)

300. IDENTITY OF RESPONDENT

1. Give the exact name* by which the respondent was known in law at the close of the year
The Texas Mexican Railway Company
2. State whether or not the respondent made an annual report to the Interstate Commerce Commission for the preceding year, or for any part thereof. If so, in what name was such report made? Yes - The Texas Mexican Railway Company
3. If any change was made in the name of the respondent during the year, state all such changes and the dates on which they were made
None
4. Give the location (including street and number) of the main business office of the respondent at the close of the year
1200 Washington Street, Laredo, Texas
5. Give the titles, names, and office addresses of all general officers of the respondent at the close of the year. If there are receivers who are recognized as in the controlling management of the road, give also their names and titles, and the location of their offices.

Line No.	Title of general officer (a)	Name and office address of person holding office at close of year (b)
1	President	J. W. Kraemer Laredo, Texas
2	Vice president	B. F. Wright, Jr. " "
3	Secretary	Milton Conring " "
4	Treasurer	C. C. Shiner " "
5	Comptroller or auditor	Milton Conring " "
6	Attorney or general counsel	E. H. Borchers " "
7	General manager	B. F. Wright, Jr. " "
8	General superintendent	None
9	General freight agent	None
10	General passenger agent	None
11	General land agent	None
12	Chief engineer	C. H. Darnell, Jr. Laredo, Texas
13	Traffic Manager	W. L. Webber " "

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

Line No.	Name of director (a)	Office address (b)	Term expires (c)
31	J. W. Kraemer	Laredo, Texas	June 23, 1970
32	Richard King	Corpus Christi, Texas	" " "
33	Edwin Flato	" " "	" " "
34	B. F. Wright, Jr.	Laredo, Texas	" " "
35	A. F. Muller	" " "	" " "
36	Albert Martin	" " "	" " "
37	John L. Bates	Corpus Christi, Texas	" " "
38			
39			
40			

7. Give the date of incorporation of the respondent March 13, 1875 8. State the character of motive power used Diesel-Electric
9. Class of switching and terminal company Not Applicable
10. Under the laws of what Government, State, or Territory was the respondent organized? If more than one, name all. Give reference to each statute and all amendments thereof, effected during the year. If previously effected, show the year(s) of the report(s) setting forth details. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees
Act of Legislature State of Texas 14th, 15th and 16th Legislature
11. State whether or not any corporation or association or group of corporations had, at the close of the year, the right to name the major part of the board of directors, managers, or trustees of the respondent; and if so, give the names of all such corporations and state whether such right was derived through (a) title to capital stock or other securities issued or assumed by the respondent, (b) claims for advances of funds made for the construction of the road and equipment of the respondent, or (c) express agreement or some other source
No

12. Give hereunder a history of the respondent from its inception to date, showing all consolidations, mergers, reorganizations, etc., and if a consolidated or merging corporation give like particulars for all constituent and subconstituent corporations. Describe also the course of construction of the road of the respondent, and its financing Incorporated March 13, 1875 as The Corpus Christi, San Diego and Rio Grande Narrow Gauge RR. Co. The name was changed June 25, 1881 to The Texas Mexican Railway Company.

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

350. STOCKHOLDERS

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

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

Line No.	Name of security holder	Address of security holder	Number of votes to which security holder was entitled	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED			
				STOCKS			Other securities with voting power
				Common	PREFERRED		
					Second	First	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Manufacturers Hanover						
2	Trust Company as Trustee						
3	of the Prior Lien Mort-						
4	gage of The National Rail-						
5	road Company of Mexico	New York, New York	24,950	24,950			
6	E. E. Bashford	25 Broad St., New York	43	43			
7	J. W. Kraemer	Laredo, Texas	1	1			
8	Richard King	Corpus Christi, Texas	1	1			
9	Edwin Flato	Corpus Christi, Texas	1	1			
10	B. F. Wright, Jr.	Laredo, Texas	1	1			
11	A. F. Muller	Laredo, Texas	1	1			
12	Albert Martin	Laredo, Texas	1	1			
13	John L. Bates	Corpus Christi, Texas	1	1			
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

350A. STOCKHOLDERS REPORTS

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

Check appropriate box:

☐ Two copies are attached to this report.

☐ Two copies will be submitted _____ (date)

☒ No annual report to stockholders is prepared.

200A. COMPARATIVE GENERAL BALANCE SHEET—ASSETS

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

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

Line No.	Balance at beginning of year (a)			Account or Item (b)	Balance at close of year (c)		
CURRENT ASSETS							
1	\$	315	492	(701) Cash	\$	177	602
2	3	060	000	(702) Temporary cash investments	3	360	000
3		(3	111)	(703) Special deposits			71
4				(704) Loans and notes receivable			
5				(705) Traffic and car-service balances—Debit			
6		473	710	(706) Net balance receivable from agents and conductors		575	398
7		151	490	(707) Miscellaneous accounts receivable		187	370
8				(708) Interest and dividends receivable			
9		85	734	(709) Accrued accounts receivable		76	584
10		3	418	(710) Working fund advances		3	400
11		8	299	(711) Prepayments		14	333
12		715	194	(712) Material and supplies		486	130
13		1	744	(713) Other current assets		1	136
14	4	811	970	Total current assets	4	882	024
SPECIAL FUNDS							
15				(715) Sinking funds	(b ₁) Total book assets at close of year	(b ₂) Respondent's own issues included in (b ₁)	
16				(716) Capital and other reserve funds			
17		2	154	(717) Insurance and other funds	2,154		2 154
18		2	154	Total special funds			2 154
INVESTMENTS							
19				(721) Investments in affiliated companies (pp. 10 and 11)			
20		1	310	(722) Other investments (pp. 10 and 11)			1 940
21				(723) Reserve for adjustment of investment in securities—Credit			
22		1	310	Total investments (accounts 721, 722 and 723)			1 940
PROPERTIES							
23	8	482	375	(731) Road and equipment property (p. 7)		8	617 465
24	x x x x x x			Road	\$ 5 499 010	x x x x x x	
25	x x x x x x			Equipment	2 985 898	x x x x x x	
26	x x x x x x			General expenditures	132 557	x x x x x x	
27	x x x x x x			Other elements of investment		x x x x x x	
28	x x x x x x			Construction work in progress		x x x x x x	
29		363	171	(732) Improvements on leased property (p. 7)			363 270
30	x x x x x x			Road	\$ 363 111	x x x x x x	
31	x x x x x x			Equipment	159	x x x x x x	
32	x x x x x x			General expenditures		x x x x x x	
33	8	845	546	Total transportation property (accounts 731 and 732)		8	980 735
34	(2	375	112)	(735) Accrued depreciation—Road and Equipment (pp. 15 and 16)		(2	518 464)
35				(736) Amortization of defense projects—Road and Equipment (p. 18)			
36	(2	375	112)	Recorded depreciation and amortization (accounts 735 and 736)		(2	518 464)
37	6	470	434	Total transportation property less recorded depreciation and amortization (line 33 less line 36)		6	462 271
38		567	552	(737) Miscellaneous physical property			579 210
39	(269	280)		(738) Accrued depreciation—Miscellaneous physical property (p. 19)		(282	233)
40		298	272	Miscellaneous physical property less recorded depreciation (account 737 less 738)			296 977
41	6	768	706	Total properties less recorded depreciation and amortization (line 37 plus line 40)		6	759 248
OTHER ASSETS AND DEFERRED CHARGES							
42				(741) Other assets			
43				(742) Unamortized discount on long-term debt			
44		64	700	(743) Other deferred charges (p. 20)		66	437
45		64	700	Total other assets and deferred charges		66	437
46	11	648	840	TOTAL ASSETS		11	711 803

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

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

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

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

Line No.	Balance at beginning of year			Account or Item	Balance at close of year		
	(a)			(b)	(c)		
				CURRENT LIABILITIES			
47	\$			(751) Loans and notes payable (p. 20)	\$		
48		598	370	(752) Traffic and car-service balances—Credit		513	627
49		388	303	(753) Audited accounts and wages payable		275	551
50		1	918	(754) Miscellaneous accounts payable		2	436
51				(755) Interest matured unpaid			
52				(756) Dividends matured unpaid			
53				(757) Unmatured interest accrued			
54				(758) Unmatured dividends declared			
55		168	118	(759) Accrued accounts payable		192	872
56		6	088	(760) Federal income taxes accrued		109	708
57		(	200)	(761) Other taxes accrued		(	470
58		66	228	(763) Other current liabilities		77	682
59		1	228	825		1	171
				Total current liabilities (exclusive of long-term debt due within one year)			406
				LONG-TERM DEBT DUE WITHIN ONE YEAR			
					(b ₁) Total issued	(b ₂) Held by or for respondent	
60				(764) Equipment obligations and other debt (pp. 5B and 8)			
				LONG-TERM DEBT DUE AFTER ONE YEAR			
					(b ₁) Total issued	(b ₂) Held by or for respondent	
61				(765) Funded debt unmatured (p. 5B)			
62				(766) Equipment obligations (p. 8)			
63				(767) Receivers' and Trustees' securities (p. 5B)			
64		2	340	(768) Debt in default (p. 20)	2,340,000	2	340
65			000	(769) Amounts payable to affiliated companies (p. 8)			000
66		2	340	Total long-term debt due after one year		2	340
			000				000
				RESERVES			
67				(771) Pension and welfare reserves			
68		62	571	(772) Insurance reserves		60	915
69				(773) Equalization reserves			
70				(774) Casualty and other reserves			
71		62	571	Total reserves		60	915
				OTHER LIABILITIES AND DEFERRED CREDITS			
72		6	685	(781) Interest in default		6	685
73		937	106	(782) Other liabilities			946
74				(783) Unamortized premium on long-term debt			455
75				(784) Other deferred credits (p. 20)			
76		179	458	(785) Accrued depreciation—Leased property (p. 17)		177	411
77		7	802	Total other liabilities and deferred credits		7	809
			506				808
				SHAREHOLDERS' EQUITY			
				Capital stock (Par or stated value)			
		2	500	(791) Capital stock issued—Total	(b ₁) Total issued	(b ₂) Held by or for company	2
78			000	Common stock (p. 5B)	2,500,000		500
79				Preferred stock (p. 5B)			000
80				(792) Stock liability for conversion			
81				(793) Discount on capital stock			
82		2	500	Total capital stock		2	500
83			000				000
				Capital Surplus			
84				(794) Premiums and assessments on capital stock (p. 19)			
85				(795) Paid-in surplus (p. 19)			
86				(796) Other capital surplus (p. 19)			
87				Total capital surplus			
				Retained Income			
88		(2	285	(797) Retained income—Appropriated (p. 19)		(2	170
89			062)	(798) Retained income—Unappropriated (p. 21A)			326
90		(2	285	Total retained income		(2	170
91			062)				326
92		214	938	Total shareholders' equity		327	114
93		11	648	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		11	711
			840				803

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

COMPARATIVE GENERAL BALANCE SHEET—EXPLANATORY NOTES

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

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

(a) Estimated accumulated net reduction in Federal income taxes since December 31, 1949, because of accelerated amortization of emergency facilities in excess of recorded depreciation under section 168 (formerly section 124-A) of the Internal Revenue Code \$ 59,895

(b) Estimated accumulated net reduction in Federal income taxes because of accelerated depreciation of facilities since December 31, 1953, under provisions of section 167 of the Internal Revenue Code and depreciation deductions resulting from the use of the guideline lives, since December 31, 1961, pursuant to Revenue Procedure 62-21 in excess of recorded depreciation \$ 24,999

(c) Estimated accumulated net income tax reduction realized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962 compared with the income taxes that would otherwise have been payable without such investment tax credit... \$ 163,846

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

Description of obligation	Year accrued	Account No.	Amount
.....	\$
.....
.....
.....	\$ None

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

Item	Amount in dispute	As recorded on books		Amount not recorded
		Account Nos.	Debit	Credit
Per diem receivable.....	\$ .....	.....	.....	\$ .....
Per diem payable.....	.....	.....	.....	.....
Net amount.....	\$ None	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, 1970 \$ None

670. FUNDED DEBT UNMATURED

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

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

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

Line No.	Name and character of obligation	Nominal date of issue	Date of maturity	INTEREST PROVISIONS		Total amount nominally and actually issued			Nominally issued and held by or for respondent (Identify pledged securities by symbol "P")			Total amount actually issued			Reacquired and held by or for respondent (Identify pledged securities by symbol "P")			Actually outstanding at close of year			INTEREST DURING YEAR			
				Rate percent per annum	Dates due																Accrued		Actually paid	
						(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)							
1	NONE					\$			\$			\$			\$			\$			\$			
2																								
3																								
4					Total																			

Funded debt canceled: Nominally issued, \$ _____ Actually issued, \$ _____

Purpose for which issue was authorized† _____

690. CAPITAL STOCK

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

Line No.	Class of stock	Date issue was authorized †	Par value per share	Authorized †		Authenticated		PAR VALUE OF PAR VALUE OR SHARES OF NONPAR STOCK						ACTUALLY OUTSTANDING AT CLOSE OF YEAR								
								Nominally issued and held by or for respondent (Identify pledged securities by symbol "P")			Total amount actually issued			Reacquired and held by or for respondent (Identify pledged securities by symbol "P")			Par value of par-value stock			SHARES WITHOUT PAR VALUE		
																				Number			Book value
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)							
11	Common	June 15 1881	\$ 100	\$ 2 500 000	\$ 2 500 000	\$ None	\$ 2 500 000	\$ None	\$ 2 500 000	None	None	None	None	None	None							
12																						
13																						
14																						

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

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

Purpose for which issue was authorized† _____

The total number of stockholders at the close of the year was Nine

695. RECEIVERS' AND TRUSTEES' SECURITIES

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

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

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

701. ROAD AND EQUIPMENT PROPERTY

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

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

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

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

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

Line No.	Account (a)	Balance at beginning of year (b)		Gross charges during year (c)		Credits for property retired during year (d)		Balance at close of year (e)	
		\$		\$		\$		\$	
1	(1) Engineering.....		70 676				334		70 342
2	(2) Land for transportation purposes.....		136 584						136 584
3	(2½) Other right-of-way expenditures.....		3 339						3 339
4	(3) Grading.....		426 174				1 948		424 226
5	(5) Tunnels and subways.....								
6	(6) Bridges, trestles, and culverts.....		447 144		-1 183		12 291		433 670
7	(7) Elevated structures.....								
8	(8) Ties.....		536 246		88		3 936		532 398
9	(9) Rails.....	1	213 376		62 029		3 188	1	272 217
10	(10) Other track material.....		577 655		55 367		3 011		630 011
11	(11) Ballast.....		430 422				309		430 113
12	(12) Track laying and surfacing.....		478 755		1 406		3 033		477 128
13	(13) Fences, snowsheds, and signs.....		48 414				26		48 388
14	(16) Station and office buildings.....		749 404		13 743		3 973		759 174
15	(17) Roadway buildings.....		19 202		928		83		20 047
16	(18) Water stations.....		5 562						5 562
17	(19) Fuel stations.....		4 558						4 558
18	(20) Shops and enginehouses.....		137 101		6 188		9 556		133 733
19	(21) Grain elevators.....								
20	(22) Storage warehouses.....								
21	(23) Wharves and docks.....								
22	(24) Coal and ore wharves.....								
23	(26) Communication systems.....		2 040		3 287				5 327
24	(27) Signals and interlockers.....		73 042		1 507		699		73 850
25	(29) Power plants.....								
26	(31) Power-transmission systems.....								
27	(35) Miscellaneous structures.....		1 873						1 873
28	(37) Roadway machines.....		206 295		17 833				224 128
29	(38) Roadway small tools.....		900						900
30	(39) Public improvements—Construction.....		98 550		10 816				109 366
31	(43) Other expenditures—Road.....								
32	(44) Shop machinery.....		65 187						65 187
33	(45) Power-plant machinery.....								
34	Other (specify and explain).....								
35	Leased property capitalized rentals (explain).....								
35	Other (specify and explain).....								
36	TOTAL EXPENDITURES FOR ROAD.....		5 732 499		172 009		42 387		5 862 121
37	(51) Steam locomotives.....	1	899 458		3 424		-64	1	902 946
38	(52) Other locomotives.....		957 590				12 031		945 559
39	(53) Freight-train cars.....								
40	(54) Passenger-train cars.....								
41	(56) Floating equipment.....								
42	(57) Work equipment.....		15 676				1 134		14 542
43	(58) Miscellaneous equipment.....		107 160		35 057		19 207		123 010
44	TOTAL EXPENDITURES FOR EQUIPMENT.....		2 979 884		38 481		32 308		2 986 057
45	(71) Organization expenses.....		5 438						5 438
46	(76) Interest during construction.....		104 573				443		104 130
47	(77) Other expenditures—General.....		23 152				163		22 989
48	TOTAL GENERAL EXPENDITURES.....		133 163				606		132 557
49	TOTAL.....		8 845 546		210 490		75 301		8 980 735
50	(80) Other elements of investment.....								
51	(90) Construction work in progress.....								
52	GRAND TOTAL.....		8 845 546		210 490		75 301		8 980 735

801. PROPRIETARY COMPANIES

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

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

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

Line No.	Name of proprietary company (a)	MILEAGE OWNED BY PROPRIETARY COMPANY					Investment in transportation property (accounts Nos. 731 and 732) (g)	Capital stock (account No. 791) (h)	Unmatured funded debt (account No. 765) (i)	Debt in default (account No. 768) (j)	Amounts payable to affiliated companies (account No. 769) (k)
		Road (b)	Second and additional main tracks (c)	Passing tracks, crossovers, and turnouts (d)	Way switching tracks (e)	Yard switching tracks (f)					
1	NONE						\$	\$	\$	\$	\$
2											
3											
4											
5											
6											

901. AMOUNTS PAYABLE TO AFFILIATED COMPANIES

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

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

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

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

902. EQUIPMENT COVERED BY EQUIPMENT OBLIGATIONS

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

column (a) show the name by which the equipment obligation is designated and in column (b) show the classes of equipment and the number of units covered by the obligation together with other details of identification. In column (c) show current rate of

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

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

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 1001 AND 1002

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

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

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

(A) Stocks:

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

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

(C) Other secured obligations:

(D) Unsecured notes:

(E) Investment advances:

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

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

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

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

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

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

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

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

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

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

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

Line No.	Ac-count No.	Class No.	Name of issuing company and description of security held, also lien reference, if any	Extent of control (d)	INVESTMENTS AT CLOSE OF YEAR											
					PAR VALUE OF AMOUNT HELD AT CLOSE OF YEAR											
					Pledged (e)			Unpledged (f)			In sinking, insurance, and other funds (g)			Total par value (h)		
	(a)	(b)	(c)	(d)	\$			\$			\$			\$		
1			NONE	%												
2																
3																
4																
5																
6																
7																
8																
9																
10																

1002. OTHER INVESTMENTS (See page 9 for Instructions)

Line No.	Ac-count No.	Class No.	Name of issuing company or government and description of security held, also lien reference, if any	INVESTMENTS AT CLOSE OF YEAR											
				PAR VALUE OF AMOUNT HELD AT CLOSE OF YEAR											
				Pledged (d)			Unpledged (e)			In sinking, insurance, and other funds (f)			Total par value (g)		
	(a)	(b)	(c)												
21	717	E	Barclays Bank D.C.O. Serially 9-1-69 to												
22			9-1-70 - Deposit on service interruption												
23			policy												
24															
25	722	D	E. Boesch, Jr. Serially 12-10-65 to												
26			6-10-69 - Cash advanced												
27	722	D	Jesus Salcido B. Serially 4-17-67 to												
28			10-17-69 - Cash advanced												
29	722	D	E. Boesch, Jr. Serially 6-10-69 to												
30			2-10-72												
31															

1001. INVESTMENTS IN AFFILIATED COMPANIES—Concluded

INVESTMENTS AT CLOSE OF YEAR				INVESTMENTS MADE DURING YEAR				INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR								DIVIDENDS OR INTEREST DURING YEAR				Line No.				
Total book value				Par value			Book value		Par value			Book value*			Selling price			Rate	Amount credited to income					
(i)				(j)			(k)		(l)			(m)			(n)			(o)	(p)					
\$				\$			\$			\$			\$			\$			%		\$			
								NONE																1
																								2
																								3
																								4
																								5
																								6
																								7
																								8
																								9
																								10

1002. OTHER INVESTMENTS—Concluded

INVESTMENTS AT CLOSE OF YEAR			INVESTMENTS MADE DURING YEAR			INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR						DIVIDENDS OR INTEREST DURING YEAR				Line No.
Total book value			Par value		Book value		Par value		Book value*		Selling price		Rate	Amount credited to income		
(h)			(i)		(j)		(k)		(l)		(m)		(n)	(o)		
\$			\$		\$		\$		\$		\$		%	\$		
	2	154		-		-		-		-		-	6.875		148	
	-			-		-		410		410		410	None		None	
	-			-		-		900		900		900	None		None	
	1	940		2	500	2	500	560		560		560	None		None	
	1	940		2	500	2	500	1	870	1	870	1	870			

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

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

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

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

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

Line No.	Class No.	Name of issuing company and security or other intangible thing in which investment is made (list on same line in second section and in same order as in first section)	INVESTMENTS AT CLOSE OF YEAR				INVESTMENTS MADE DURING YEAR			
			Total par value		Total book value		Par value		Book value	
			(c)		(d)		(e)		(f)	
	(a)	(b)	\$		\$		\$		\$	
1		NONE								
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										

Line No.	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR									Names of subsidiaries in connection with things owned or controlled through them
	Par value			Book value			Selling price			
	(g)			(h)			(i)			
	\$			\$			\$			(j)
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										

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

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

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

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

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

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

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

Line No.	Account (a)	OWNED AND USED				LEASED FROM OTHERS			
		DEPRECIATION BASE		Annual composite rate (percent) (d)		DEPRECIATION BASE		Annual composite rate (percent) (g)	
		At beginning of year (b)	At close of year (c)			At beginning of year (e)	At close of year (f)		
		\$	\$	%		\$	\$	%	
1	ROAD								
2	(1) Engineering	70 651	70 605	1.00		2 010	2 010	1.70	
3	(2½) Other right-of-way expenditures	30 006	30 006	1.25					
4	(3) Grading	407 682	407 682	.05		17 303	17 303	--	
5	(5) Tunnels and subways								
6	(6) Bridges, trestles, and culverts	437 914	425 652	4.70		6 521	6 521	1.25	
7	(7) Elevated structures								
8	(13) Fences, snowsheds, and signs	53 057	53 031	4.95					
9	(16) Station and office buildings	708 971	716 068	3.00		41 370	44 099	2.75	
10	(17) Roadway buildings	10 878	10 795	2.30		7 022	7 950	2.30	
11	(18) Water stations	5 060	5 060	3.00		502	502	2.00	
12	(19) Fuel stations	1 492	1 492	1.70		3 065	3 065	2.55	
13	(20) Shops and enginehouses	13 268	13 268	3.60		123 441	116 462	1.65	
14	(21) Grain elevators								
15	(22) Storage warehouses								
16	(23) Wharves and docks								
17	(24) Coal and ore wharves								
18	(26) Communication systems	581	3 868	2.55		298	298	2.55	
19	(27) Signals and interlockers	61 298	62 106	2.10		11 742	11 742	2.10	
20	(29) Power plants								
21	(31) Power-transmission systems								
22	(35) Miscellaneous structures	1 873	1 873	3.00					
23	(37) Roadway machines	206 326	223 883	9.60					
24	(39) Public improvements—Construction	65 068	75 884	3.65					
25	(44) Shop machinery	14 152	14 152	—		51 768	51 768	3.30	
26	(45) Power-plant machinery								
27	All other road accounts								
28	Amortization (other than defense projects)								
29	Total road	2 088 277	2 115 425	3.40		265 042	261 720	2.10	
30	EQUIPMENT								
31	(51) Steam locomotives								
32	(52) Other locomotives	1 899 426	1 902 915	*					
33	(53) Freight-train cars	960 315	945 561	4.05					
34	(54) Passenger-train cars								
35	(56) Floating equipment								
36	(57) Work equipment	12 952	14 541	5.52					
37	(58) Miscellaneous equipment	106 999	124 316	18.83		160	160	18.83	
38	Total equipment	2 979 692	2 987 333	5.15		160	160	18.83	
39	GRAND TOTAL	5 067 969	5 102 758	xx	xx	265 202	261 880	xx	xx

* Column (d) Line 32 a/c 52 \$ 187,861 @ 3.88% For Yard Locomotives
\$1,715,054 @ 4.90% For Road Locomotives

Note: No depreciation accrued on Account 44 Shop Machinery owned due to depreciation reserve exceeding base.

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

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

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

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

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

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

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

1501. DEPRECIATION RESERVE—ROAD AND EQUIPMENT OWNED AND USED

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

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

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

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

Line No.	Account (a)	Balance at beginning of year (b)			CREDITS TO RESERVE DURING THE YEAR						DEBITS TO RESERVE DURING THE YEAR						Balance at close of year (g)		
					Charges to operating expenses (c)			Other credits (d)			Retirements (e)			Other debits (f)					
		\$			\$			\$			\$			\$			\$		
1	ROAD																		
2	(1) Engineering.....		15	449			706						46					16	109
3	(2½) Other right-of-way expenditures.....		8	921			375											9	296
4	(3) Grading.....		3	130			204											3	334
5	(5) Tunnels and subways.....																		
6	(6) Bridges, trestles, and culverts.....		385	099			20	473					12	290				393	282
7	(7) Elevated structures.....																		
8	(13) Fences, snowsheds, and signs.....		54	851									26					54	825
9	(16) Station and office buildings.....		169	333			21	445					3	974				186	804
10	(17) Roadway buildings.....		-10	946				250			120			83				-10	659
11	(18) Water stations.....		-1	366				151										-1	215
12	(19) Fuel stations.....			657				26											583
13	(20) Shops and enginehouses.....		3	168				477			75							3	720
14	(21) Grain elevators.....																		
15	(22) Storage warehouses.....																		
16	(23) Wharves and docks.....																		
17	(24) Coal and ore wharves.....																		
18	(26) Communication systems.....		-6	935				61										-6	874
19	(27) Signals and interlockers.....		26	993			1	293					699					27	587
20	(29) Power plants.....																		
21	(31) Power-transmission systems.....																		
22	(35) Miscellaneous structures.....			364				56											420
23	(37) Roadway machines.....		204	775				618										205	393
24	(39) Public improvements—Construction.....		28	267			2	645										30	912
25	(44) Shop machinery*.....		14	882							92							14	974
26	(45) Power-plant machinery*.....																		
27	All other road accounts.....																		
28	Amortization (other than defense projects).....																		
29	Total road.....		896	642			48	780			287		17	118				928	591
30	EQUIPMENT																		
31	(51) Steam locomotives.....																		
32	(52) Other locomotives.....		925	112			91	254					-64					1	016 430
33	(53) Freight-train cars.....		446	193			38	566			496		12	031				473	224
34	(54) Passenger-train cars.....																		
35	(56) Floating equipment.....																		
36	(57) Work equipment.....		9	921				984			382		1	134				10	153
37	(58) Miscellaneous equipment.....		97	244			3	073			8	955	19	206				90	066
38	Total equipment.....		1	478 470			133	877			9	833	32	307				1	589 873
39	GRAND TOTAL.....		2	375 112			182	657			10	120	49	425				2	518 464

*Chargeable to account 2223.

Amounts shown in Column (d) Accounts 17, 53, 57 and 58 represents value of salvage recovered on property retired from these accounts.

Amounts shown in Column (d) Accounts 20 and 44 to be adjusted in subsequent year.

1502. DEPRECIATION RESERVE—ROAD AND EQUIPMENT LEASED TO OTHERS

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

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

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

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

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

1503. DEPRECIATION RESERVE—ROAD AND EQUIPMENT LEASED FROM OTHERS

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

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

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

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

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

Line No.	Account	Balance at beginning of year			CREDITS TO RESERVE DURING THE YEAR						DEBITS TO RESERVE DURING THE YEAR						Balance at close of year		
					Charges to operating expenses			Other credits			Retirements			Other debits					
(a)	(b)	(c)	(d)	(e)	(f)	(g)													
		\$		\$		\$		\$		\$		\$		\$					
1	ROAD																		
2	(1) Engineering		6 344		219										6 563				
3	(2)½ Other right-of-way expenditures																		
4	(3) Grading																		
5	(5) Tunnels and subways																		
6	(6) Bridges, trestles, and culverts		42 194		1 352										43 546				
7	(7) Elevated structures																		
8	(13) Fences, snowsheds, and signs																		
9	(16) Station and office buildings		6 702		1 206										7 908				
10	(17) Roadway buildings		1 882		170										2 052				
11	(18) Water stations		159		11										170				
12	(19) Fuel stations		2 705		100										2 805				
13	(20) Shops and enginehouses		49 477		2 371		89		9 556						42 381				
14	(21) Grain elevators																		
15	(22) Storage warehouses																		
16	(23) Wharves and docks																		
17	(24) Coal and ore wharves																		
18	(26) Communication systems		103		7										110				
19	(27) Signals and interlockers		3 098		246										3 344				
20	(29) Power plants																		
21	(31) Power-transmission systems		678		-										678				
22	(35) Miscellaneous structures																		
23	(37) Roadway machines																		
24	(39) Public improvements—Construction																		
25	(44) Shop machinery*		58 713		1 708										60 421				
26	(45) Power-plant machinery*																		
27	All other road accounts																		
28	Total road		172 055		7 390		89		9 556						169 978				
29	EQUIPMENT																		
30	(51) Steam locomotives																		
31	(52) Other locomotives																		
32	(53) Freight-train cars		7 403		-										7 403				
33	(54) Passenger-train cars																		
34	(56) Floating equipment																		
35	(57) Work equipment																		
36	(58) Miscellaneous equipment				30										30				
37	Total equipment		7 403		30										7 433				
38	GRAND TOTAL		179 458		7 420		89		9 556						177 411				

*Chargeable to account 2223.

Amount shown in Column (d) Account 20 represents value of salvage recovered on property retired from this account.

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

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

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

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

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

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

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

1607. DEPRECIATION RESERVE—MISCELLANEOUS PHYSICAL PROPERTY

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

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

Line No.	Item (Kind of property and location) (a)	Balance at beginning of year (b)			Credits during year (c)			Debits during year (d)			Balance at close of year (e)			Rates (percent) (f)		Base (g)		
		\$			\$			\$			\$			%		\$		
1	Acme Warehouse																	
2	Laredo, Texas		71	920		3	542					75	462	2	80		129	973
3																		
4	Mexico Warehouse																	
5	Laredo, Texas		43	187		1	580					44	767	2	80		56	419
6																		
7	National Carloading Co.																	
8	Laredo, Texas		47	171		2	349					49	520	2	80		83	877
9																		
10	Minor Items each less																	
11	than \$50,000		107	002		7	487		2	005		112	484	2	80		308	941
12																		
13																		
14																		
15	TOTAL		269	280		14	958		2	005		282	233	2	80		579	210

1608. CAPITAL SURPLUS

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

Line No.	Item (a)	Contra account number (b)	ACCOUNT NO.					
			794. Premiums and assessments on capital stock (c)		795. Paid-in surplus (d)		796. Other capital surplus (e)	
31	Balance at beginning of year	x x x	\$	None	\$	None	\$	None
32	Additions during the year (describe):							
33								
34								
35								
36								
37	Total additions during the year	x x x		None		None		None
38	Deductions during the year (describe):							
39								
40								
41								
42	Total deductions	x x x		None		None		None
43	Balance at close of year	x x x						

1609. RETAINED INCOME—APPROPRIATED

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

Line No.	Class of appropriation (a)	Credits during year (b)			Debits during year (c)			Balance at close of year (d)		
		\$			\$			\$		
61	Additions to property through retained income					None				
62	Funded debt retired through retained income									
63	Sinking fund reserves									
64	Miscellaneous fund reserves									
65	Retained income—Appropriated (not specifically invested)									
66	Other appropriations (specify):									
67										
68										
69										
70										
71										
72										
73										
74	TOTAL									

1701. LOANS AND NOTES PAYABLE

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

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

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

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

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

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

1702. DEBT IN DEFAULT

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

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

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

Line No.	Name of security (a)	Reason for nonpayment at maturity (b)	Date of issue (c)	Date of maturity (d)	Rate of interest (e)	Total par value actually outstanding at close of year (f)			Interest accrued during year (g)			Interest paid during year (h)		
					%	\$			\$			\$		
21	CCSD & RG NG RR	Indebtedness												
22	7% Bonds	acknowledged to	7-1-80	7-1-10	7		960	000		67	200		67	200
23		holders every												
24	The Tex Mex Ry. Co	fourth year												
25	6% Gold Bonds		7-1-81	7-1-21	6		1	380 000		82	800		82	800
26														
						TOTAL				150	000		150	000

1703. OTHER DEFERRED CHARGES

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

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

Line No.	Description and character of item or subaccount (a)	Amount at close of year (b)		
		\$		
41	Minor Items each less than \$100,000		66	437
42				
43				
44				
45				
46				
47				
48				
49				
50				
		TOTAL		

1704. OTHER DEFERRED CREDITS

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

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

Line No.	Description and character of item or subaccount (a)	Amount at close of year (b)		
		\$		
61	Minor Items each less than \$100,000		None	
62				
63				
64				
65				
66				
67				
68				
69				
		TOTAL		

1801. INCOME ACCOUNT FOR THE YEAR

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

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

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

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

Line No.	Item (a)	Amount applicable to the year (b)			Line No.	Item (c)	Amount applicable to the year (d)		
		\$	x x	x x			\$	x x	x x
1	ORDINARY ITEMS	x x	x x	x x	51	FIXED CHARGES	x x	x x	x x
2	RAILWAY OPERATING INCOME	x x	x x	x x	52	(542) Rent for leased roads and equipment (p. 27)		17	162
3	(501) Railway operating revenues (p. 23)	4	421	703	53	(546) Interest on funded debt:	x x	x x	x x
4	(531) Railway operating expenses (p. 24)	3	421	271	54	(a) Fixed interest not in default		150	000
5	Net revenue from railway operations	1	000	432	55	(b) Interest in default			
6	(532) Railway tax accruals*		569	315	56	(547) Interest on unfunded debt			
7	Railway operating income		431	117	57	(548) Amortization of discount on funded debt			
8	RENT INCOME	x x	x x	x x	58	Total fixed charges		167	162
9	(503) Hire of freight cars—Credit balance		44	007	59	Income after fixed charges (lines 50, 58)		114	736
10	(504) Rent from locomotives				60	OTHER DEDUCTIONS	x x	x x	x x
11	(505) Rent from passenger-train cars				61	(546) Interest on funded debt:	x x	x x	x x
12	(506) Rent from floating equipment				62	(c) Contingent interest			
13	(507) Rent from work equipment				63	Ordinary income (lines 59, 62)		114	736
14	(508) Joint facility rent income		90	818					
15	Total rent income		134	825	64	EXTRAORDINARY AND PRIOR PERIOD ITEMS	x x x	x x	x x
16	RENTS PAYABLE	x x	x x	x x	65	(570) Extraordinary items (net), (p. 21B)			
17	(536) Hire of freight cars—Debit balance		508	833	66	(580) Prior period items (net), (p. 21B)			
18	(537) Rent for locomotives		41	881	67	(590) Federal income taxes on extraordinary and prior period items, (p. 21B)			
19	(538) Rent for passenger-train cars				68	Total extraordinary and prior period items			
20	(539) Rent for floating equipment				69	Net income transferred to Retained Income		114	736
21	(540) Rent for work equipment					Unappropriated			
22	(541) Joint facility rents		5	423	70	ANALYSIS OF ACCOUNT 532, RAILWAY TAX ACCRUALS	x x	x x	x x
23	Total rents payable		556	137	71	United States Government taxes:	x x	x x	x x
24	Net rents (lines 15, 23)		(421)	312	72	Income taxes		103	391
25	Net railway operating income (lines 7, 24)		9	805	73	Old age retirement		217	168
26	OTHER INCOME	x x	x x	x x	74	Unemployment insurance		57	752
27	(502) Revenue from miscellaneous operations (p. 24)				75	All other United States taxes		1	904
28	(509) Income from lease of road and equipment (p. 27)				76	Total—U.S. Government taxes		380	215
29	(510) Miscellaneous rent income (p. 25)		77	696	77	Other than U.S. Government taxes:	x x	x x	x x
30	(511) Income from nonoperating property (p. 26)		25	576	78	Texas		189	100
31	(512) Separately operated properties—Profit				79				
32	(513) Dividend income		170	606	80				
33	(514) Interest income				81				
34	(516) Income from sinking and other reserve funds			148	82				
35	(517) Release of premiums on funded debt				83				
36	(518) Contributions from other companies (p. 27)				84				
37	(519) Miscellaneous income (p. 25)		16	489	85				
38	Total other income		290	515	86				
39	Total income (lines 25, 38)		300	320	87				
40	MISCELLANEOUS DEDUCTIONS FROM INCOME	x x	x x	x x	88				
41	(534) Expenses of miscellaneous operations (p. 24)				89				
42	(535) Taxes on miscellaneous operating property (p. 24)				90				
43	(543) Miscellaneous rents (p. 25)			533	91	Total—Other than U.S. Government taxes		189	100
44	(544) Miscellaneous tax accruals		16	320	92	Grand Total—Railway tax accruals (account 532)		569	315
45	(545) Separately operated properties—Loss								
46	(549) Maintenance of investment organization								
47	(550) Income transferred to other companies (p. 27)								
48	(551) Miscellaneous income charges (p. 25)		1	569					
49	Total miscellaneous deductions		18	422					
50	Income available for fixed charges (lines 39, 49)		281	898					

*Enter name of State.

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

1801. INCOME ACCOUNT FOR THE YEAR -- Continued

ANALYSIS OF FEDERAL INCOME TAXES

Line No.	Item (a)	Amount (b)			Remarks (c)
		\$			
101	Provision for income taxes based on taxable net income recorded in the accounts for the year				
102	Net decrease (or increase) because of use of accelerated depreciation under section 167 of the Internal Revenue Code and guideline lives pursuant to Revenue Procedure 62-21 and different basis used for book depreciation				
103	Net increase (or decrease) because of accelerated amortization of facilities under section 168 of the Internal Revenue Code for tax purposes and different basis used for book depreciation				
104	Net decrease (or increase) because of investment tax credit authorized in Revenue Act of 1962		(27	148)	
105	Tax consequences, material in amount, of other unusual or significant items excluded from the income recorded in the accounts for the year or where tax consequences are disproportionate to related amounts recorded in income accounts: (Describe)				
106					
107					
108					
109					
110					
111					
112					
113					
114					
115			(27	148)	
116	Net applicable to the current year				
117	Adjustments applicable to previous years (net debit or credit), except carry-backs and carry-overs				
118	Adjustments for carry-backs				
119	Adjustments for carry-overs				
120	TOTAL		(27	148)	
121	Distribution:	X X	X X	X X	
122	Account 532		(27	148)	
123	Account 590				
124	Other (Specify)				
125					
126	Total		(27	148)	

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

INCOME ACCOUNT FOR THE YEAR—EXPLANATORY NOTES

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

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

1901. RETAINED INCOME—UNAPPROPRIATED

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

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

Line No.	Item (a)	Amount (b)		Remarks (c)
	CREDITS	\$		
1	(602) Credit balance transferred from Income (p. 21) -----	114	736	
2	(606) Other credits to retained income† -----			Net of Federal income taxes \$ -----
3	(622) Appropriations released -----			
4	Total -----	114	736	
	DEBITS			
5	(612) Debit balance transferred from Income (p. 21) -----			
6	(616) Other debits to retained income† -----			Net of Federal income taxes \$ -----
7	(620) Appropriations for sinking and other reserve funds -----			
8	(621) Appropriations for other purposes -----			
9	(623) Dividends (p. 23) -----			
10	Total -----			
11	Net increase during year* -----	114	736	
12	Balance at beginning of year (p. 5)* -----	(2	285 062)	
13	Balance at end of year (carried to p. 5)* -----	(2	170 326)	

*Amount in parentheses indicates debit balance.

†Show principal items in detail.

1902. DIVIDEND APPROPRIATIONS

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

Line No.	Name of security on which dividend was declared (a)	Rate percent (par value stock) or rate per share (nonpar stock)		Total par value of stock or total number of shares of nonpar stock on which dividend was declared (d)	Dividends (account 623) (e)			DATES	
		Regular (b)	Extra (c)					Declared (f)	Payable (g)
31	NONE			\$					
32									
33									
34									
35									
36									
37									
38									
39									
40									
41									
42									
43									
				TOTAL					

2001. RAILWAY OPERATING REVENUES

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

Line No.	Class of railway operating revenues (a)	Amount of revenue for the year (b)			Class of railway operating revenues (c)	Amount of revenue for the year (d)		
		\$	x x	x x		\$	x x	x x
	TRANSPORTATION—RAIL LINE				INCIDENTAL			
1	(101) Freight*	4	065	587	(131) Dining and buffet			
2	(102) Passenger*				(132) Hotel and restaurant			
3	(103) Baggage				(133) Station, train, and boat privileges			
4	(104) Sleeping car				(135) Storage—Freight		3	046
5	(105) Parlor and chair car				(137) Demurrage		193	647
6	(106) Mail				(138) Communication			
7	(107) Express				(139) Grain elevator			
8	(108) Other passenger-train				(141) Power			
9	(109) Milk				(142) Rents of buildings and other property		2	276
10	(110) Switching*		143	801	(143) Miscellaneous		14	058
11	(113) Water transfers				Total incidental operating revenue		213	027
12	Total rail-line transportation revenue	4	209	388	JOINT FACILITY			
13					(151) Joint facility—Cr			(712)
14					(152) Joint facility—Dr			(712)
15					Total joint facility operating revenue			
16					Total railway operating revenues	4	421	703

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

- For terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates. \$ 27,598
- For switching services when performed in connection with line-haul transportation of freight on the basis of switching tariffs and allowances out of freight rates, including the switching of empty cars in connection with a revenue movement. \$ 13,015
- For substitute highway motor service in lieu of line-haul rail service performed under joint tariffs published by rail carriers (does not include traffic moved on joint rail-motor rates):
 - Payments for transportation of persons. \$ None
 - Payments for transportation of freight shipments. \$ None

2002. RAILWAY OPERATING EXPENSES

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

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

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)			Name of railway operating expense account (c)	Amount of operating expenses for the year (d)			
		\$	x x	x x		\$	x x	x x	
	MAINTENANCE OF WAY AND STRUCTURES		x x	x x	TRANSPORTATION—RAIL LINE		x x	x x	
1	(2201) Superintendence.....		56	779	(2241) Superintendence and dispatching.....		58	622	
2	(2202) Roadway maintenance.....		839	532	(2242) Station service.....		350	913	
3	(2203) Maintaining structures.....		25	769	(2243) Yard employees.....		739	220	
4	(2203½) Retirements—Road.....		13	718	(2244) Yard switching fuel.....		25	954	
5	(2204) Dismantling retired road property.....		3	977	(2245) Miscellaneous yard expenses.....		50	254	
6	(2208) Road property—Depreciation.....		54	462	(2246) Operating joint yards and terminals—Dr.....		34	845	
7	(2209) Other maintenance of way expenses.....		88	269	(2247) Operating joint yards and terminals—Cr.....		(334	098)	
8	(2210) Maintaining joint tracks, yards, and other facilities—Dr.....		6	507	(2248) Train employees.....		171	805	
9	(2211) Maintaining joint tracks, yards, and other facilities—Cr.....		(86	772)	(2249) Train fuel.....		55	082	
10	Total maintenance of way and structures.....		1	002	241	(2251) Other train expenses.....		30	715
11	MAINTENANCE OF EQUIPMENT		x x	x x	(2252) Injuries to persons.....		36	345	
12	(2221) Superintendence.....		56	834	(2253) Loss and damage.....		9	427	
13	(2222) Repairs to shop and power-plant machinery.....		2	271	(2254) Other casualty expenses.....		18	546	
14	(2223) Shop and power-plant machinery—Depreciation.....		1	708	(2255) Other rail transportation expenses.....		96	586	
15	(2224) Dismantling retired shop and power-plant machinery.....				(2256) Operating joint tracks and facilities—Dr.....			568	
16	(2225) Locomotive repairs.....		106	812	(2257) Operating joint tracks and facilities—Cr.....				
17	(2226) Car repairs.....		120	803	Total transportation—Rail line.....		1	344	784
18	(2227) Other equipment repairs.....		36	048	MISCELLANEOUS OPERATIONS		x x	x x	x x
19	(2228) Dismantling retired equipment.....				(2258) Miscellaneous operations.....				
20	(2229) Retirements—Equipment.....				(2259) Operating joint miscellaneous facilities—Dr.....				
21	(2234) Equipment—Depreciation.....		133	907	(2260) Operating joint miscellaneous facilities—Cr.....				
22	(2235) Other equipment expenses.....		32	819	GENERAL		x x	x x	x x
23	(2236) Joint maintenance of equipment expenses—Dr.....		13	579	(2261) Administration.....		350	180	
24	(2237) Joint maintenance of equipment expenses—Cr.....		(75	528)	(2262) Insurance.....			606	
25	Total maintenance of equipment.....		429	253	(2264) Other general expenses.....		70	027	
26	TRAFFIC		x x	x x	(2265) General joint facilities—Dr.....				
27	(2240) Traffic expenses.....		224	180	(2266) General joint facilities—Cr.....				
28					Total general expenses.....		420	813	
29					GRAND TOTAL RAILWAY OPERATING EXPENSES.....		3	421	271

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

2003. MISCELLANEOUS PHYSICAL PROPERTIES OPERATED DURING THE YEAR

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

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

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

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

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

2101. MISCELLANEOUS RENT INCOME

Line No.	DESCRIPTION OF PROPERTY		Name of lessee (c)	Amount of rent (d)		
	Name (a)	Location (b)		\$		
1	Minor Items, each less than \$50,000 per annum	Various	Various			
2					77	696
3						
4						
5						
6						
7						
8						
9						
TOTAL					77	696

2102. MISCELLANEOUS INCOME

Line No.	Source and character of receipt (a)	Gross receipts (b)		Expenses and other deductions (c)		Net miscellaneous income (d)	
		\$		\$		\$	
21	Minor Items, each less than \$50,000 per annum		16 489		None		16 489
22							
23							
24							
25							
26							
27							
28							
29	TOTAL		16 489		None		16 489

2103. MISCELLANEOUS RENTS

Line No.	DESCRIPTION OF PROPERTY		Name of lessor (c)	Amount charged to income			
	Name (a)	Location (b)		(d)			
				\$			
31	Minor Items, each less	Various	Various				
32	than \$50,000 per annum					533	
33							
34							
35							
36							
37							
38							
39							
				TOTAL		533	

2104. MISCELLANEOUS INCOME CHARGES

Line No.	Description and purpose of deduction from gross income (a)	Amount (b)		
		\$		
41	Paid to Manufacturers Hanover Trust Company for acting as Paying Agent for this			
42	Company in handling interest payments on Bonds		1	170
43	Paid to Imperial Insurance Company to cover this Company's proportion of work			
44	stoppage losses sustained by other carriers during the year			399
45				
46				
47				
48				
49				
50	TOTAL		1	569

2201. INCOME FROM NONOPERATING PROPERTY

Line No.	Designation (a)	Revenues or income (b)		Expenses (c)		Net income or loss (d)		Taxes (e)
1	Minor Items, each less than \$50,000 per annum	\$	64 534	\$	38 958	\$	25 576	\$ 9 017
2								
3								
4								
5								
6								
7	TOTAL		64 534		38 958		25 576	9 017

2202. MILEAGE OPERATED (ALL TRACKS)†

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

2203. MILEAGE OPERATED—BY STATES

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

Line No.	Line in use (a)	Owled (b)	Proprietary companies (c)	Leased (d)	Operated under contract (e)	Operated under track-age rights (f)	Total operated (g)	State (h)	Owled (i)	Proprietary companies (j)	Leased (k)	Operated under contract (l)	Operated under track-age rights (m)	Total operated (n)
21	Single or first main track	161.38	/				161.38	Texas	161.38	/				161.38
22	Second and additional main tracks													
23	Passing tracks, cross-overs, and turn-outs													
24	Way switching tracks	18.82	9				18.82	Texas	18.82					18.82
25	Yard switching tracks	37.84	8	3.72	4 19.11	9	37.84	Texas	37.84		3.72	19.11		37.84
26	TOTAL	218.04	8	3.72	4 19.11	9	218.04	TOTAL	218.04		3.72	19.11		218.04

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

2216. Road is completed from (Line Haul Railways only)* Laredo, Texas to Corpus Christi, Texas Total distance, 161.38 miles

2217. Road located at (Switching and Terminal Companies only)* Not Applicable

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

2220. Kind and number per mile of crossties Pine and hardwood treated, average 3,168 per mile of road

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

2222. Ties applied in replacement during year: Number of crossties, 25957; average cost per tie, \$ 4.72; number of feet (B. M.) of switch and bridge ties, 72369; average cost per M feet (B. M.), \$ 136.43

2223. Rail applied in replacement during year: Tons (2,000 pounds), 2,227; weight per yard, Various; average cost per ton, \$ 108.64

*Insert names of places.

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

EXPLANATORY REMARKS

2301. RENTS RECEIVABLE
INCOME FROM LEASE OF ROAD AND EQUIPMENT

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

2302. RENTS PAYABLE
RENT FOR LEASED ROADS AND EQUIPMENT

Line No.	Road leased (a)	Location (b)	Name of lessor (c)	Amount of rent during year (d)		
				\$		
11	Minor Items, each less					
12	than \$50,000 per annum	Various	Various		17	162
13						
14						
15						
			TOTAL		17	162

2303. CONTRIBUTIONS FROM OTHER COMPANIES

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

2304. INCOME TRANSFERRED TO OTHER COMPANIES

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

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

Manufacturers Hanover Trust Company, as Trustee for the National Railroad Company of Mexico holds Prior Lien Mortgage on all real property of The Texas Mexican Railway Company to secure payment of Mortgage Bonds.

2401. EMPLOYEES, SERVICE, AND COMPENSATION

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

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

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

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

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

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

Line No.	Classes of employees (a)	Average number of employees (b)	Total service hours (c)	Total compensation (d)	Remarks (e)
1	TOTAL (executives, officials, and staff assistants)	17	33 876	266 300	Note - Compensation paid under labor
2	TOTAL (professional, clerical, and general)	75	168 418	594 630	awards of the current year, appli-
3	TOTAL (maintenance of way and structures)	78	157 481	486 213	cable to prior years (back pay):
4	TOTAL (maintenance of equipment and stores)	39	84 814	305 178	
5	TOTAL (transportation—other than train, engine, and yard)	19	48 152	161 098	#5 \$3,650
6	TOTAL (transportation—yardmasters, switch tenders, and hostlers)	5	15 331	47 899	
7	TOTAL, ALL GROUPS (except train and engine)	233	508 072	1,861 318	
8	TOTAL (transportation—train and engine)	69	163 554	648 454	
9	GRAND TOTAL	302	671 626	2,509 772	Total \$3,650

Amount of foregoing compensation (excluding back pay for prior years) that is chargeable to account No. 531, "Railway operating expenses": \$2,455,462

2402. CONSUMPTION OF FUEL BY MOTIVE-POWER UNITS

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

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

Line No.	Kind of service (a)	A. LOCOMOTIVES (STEAM, ELECTRIC, AND OTHER)					B. RAIL MOTOR CARS (GASOLINE, OIL-ELECTRIC, ETC.)		
		Diesel oil (gallons) (b)	Gasoline (gallons) (c)	Electricity (kilowatt-hours) (d)	STEAM		Electricity (kilowatt-hours) (g)	Gasoline (gallons) (h)	Diesel oil (gallons) (i)
					Coal (tons) (e)	Fuel oil (gallons) (f)			
31	Freight	560,192							
32	Passenger	266,555							
33	Yard switching	826,747							
34	TOTAL TRANSPORTATION	641							
35	Work train	827,388							
36	GRAND TOTAL	\$81,036							
37	TOTAL COST OF FUEL*			XXXX			XXXX		

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

2501. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

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

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

Line No.	Name of person (a)	Title (b)	Salary per annum as of close of year (see instructions) (c)		Other compensation during the year (d)	
			\$		\$	
1	J. W. Kraemer	President 1-1-69 to 6-30-69		27 780		100
2	J. W. Kraemer	" 7-1-69 to 12-31-69		29 160		
3	B. F. Wright, Jr.	Vice President & General Manager				
4		1-1-69 to 6-30-69		20 160		100
5	B. F. Wright, Jr.	" " 7-1-69 to 12-31-69		21 180		
6	Milton Conring	Auditor and Secretary				
7		1-1-69 to 6-30-69		19 020		
8	Milton Conring	" 7-1-69 to 12-31-69		19 980		
9	W. L. Webber	Traffic Manager				
10		1-1-69 to 6-30-69		19 020		
11	W. L. Webber	" 7-1-69 to 12-31-69		19 980		
12	E. H. Borchers	General Counsel				
13		1-1-69 to 6-30-69		18 360		
14	E. H. Borchers	" 7-1-69 to 12-31-69		19 260		
15						

2502. PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

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

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

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

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

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

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

Line No.	Name of recipient (a)	Nature of service (b)	Amount of payment (c)	
			\$	
31	Texas Louisiana Freight Bureau	General expenses and printing		1 739
32				
33	Southwestern Freight Bureau	General expenses and printing		14 189
34				
35	Association of Western Railroads	General expenses and printing		13 244
36				
37	Association of American Railroads	General expenses, advertising and public relations		5 986
38				
39	Railway Equipment Publication Co.	Registration and subscription		425
40				
41	National Railway Publication Co.	Representation and copies of Official Guide		517
42				
43	C. B. Guthrie Tariff Bureau	General expenses and printing		514
44				
45				
46			TOTAL	36 614

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

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

Item No.	Item (a)	Freight trains (b)			Passenger trains (c)			Total transportation service (d)			Work trains (e)		
1	Average mileage of road operated (whole number required)			161						161	x	x	x
	TRAIN-MILES												
2	Total (with locomotives)	112	927					112	927				318
3	Total (with motorcars)												
4	TOTAL TRAIN-MILES	112	927					112	927				318
	LOCOMOTIVE UNIT-MILES												
5	Road service	276	103					276	103		x	x	x
6	Train switching	24	492					24	492		x	x	x
7	Yard switching	136	666					136	666		x	x	x
8	TOTAL LOCOMOTIVE UNIT-MILES	437	261					437	261		x	x	x
	CAR-MILES												
9	Loaded freight cars	3	294	353				3	294	353	x	x	x
10	Empty freight cars	2	260	715				2	260	715	x	x	x
11	Caboose		112	809					112	809	x	x	x
12	TOTAL FREIGHT CAR-MILES	5	667	877				5	667	877	x	x	x
13	Passenger coaches										x	x	x
14	Combination passenger cars (mail, express, or baggage, etc., with passenger)										x	x	x
15	Sleeping and parlor cars										x	x	x
16	Dining, grill and tavern										x	x	x
17	Head-end cars										x	x	x
18	TOTAL (lines 13, 14, 15, 16 and 17)		None						None		x	x	x
19	Business cars		None						None		x	x	x
20	Crew cars (other than cabooses)		None						None		x	x	x
21	GRAND TOTAL CAR-MILES (lines 12, 18, 19 and 20)	5	667	877				5	667	877	x	x	x
	REVENUE AND NONREVENUE FREIGHT TRAFFIC	x	x	x	x	x	x	x	x	x	x	x	x
22	Tons—Revenue freight	x	x	x	x	x	x	1	548	104	x	x	x
23	Tons—Nonrevenue freight	x	x	x	x	x	x		10	923	x	x	x
24	TOTAL TONS—REVENUE AND NONREVENUE FREIGHT	x	x	x	x	x	x	1	559	027	x	x	x
25	Ton-miles—Revenue freight	x	x	x	x	x	x	140	232	203	x	x	x
26	Ton-miles—Nonrevenue freight	x	x	x	x	x	x		894	102	x	x	x
27	TOTAL TON-MILES—REVENUE AND NONREVENUE FREIGHT	x	x	x	x	x	x	141	126	305	x	x	x
	REVENUE PASSENGER TRAFFIC	x	x	x	x	x	x	x	x	x	x	x	x
28	Passengers carried—Revenue	x	x	x	x	x	x		None		x	x	x
29	Passenger-miles—Revenue	x	x	x	x	x	x		None		x	x	x

NOTES AND REMARKS

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

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

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

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

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

Item No.	COMMODITY Description (a)	Code No.	REVENUE FREIGHT IN TONS (2,000 POUNDS)			Gross freight revenue (dollars) (e)
			Originating on respondent's road (b)	Received from connecting carriers (c)	Total carried (d)	
1	Farm Products	01	29,223	41,776	70,999	172,663
2	Forest Products	08		1,864	1,864	10,837
3	Fresh Fish and Other Marine Products	09				
4	Metallic Ores	10		4,589	4,589	12,806
5	Coal	11		1,910	1,910	2,564
6	Crude Petro, Nat Gas, & Nat Gsln	13	51		51	204
7	Nonmetallic Minerals, except Fuels	14	40,536	371,008	411,544	509,806
8	Ordnance and Accessories	19	60	56	116	645
9	Food and Kindred Products	20	30,261	148,023	178,284	502,787
10	Tobacco Products	21				
11	Basic Textiles	22	1,335	2,267	3,602	17,926
12	Apparel & Other Finished Tex Prd Inc Knit	23	10	95	105	1,367
13	Lumber & Wood Products, except Furniture	24	217	45,272	45,489	135,344
14	Furniture and Fixtures	25	70	2,143	2,213	19,715
15	Pulp, Paper and Allied Products	26	70	72,068	72,138	187,899
16	Printed Matter	27		559	559	2,571
17	Chemicals and Allied Products	28	30,874	120,522	151,396	498,782
18	Petroleum and Coal Products	29	21,618	89,816	111,434	394,279
19	Rubber & Miscellaneous Plastic Products	30		10,560	10,560	36,792
20	Leather and Leather Products	31				
21	Stone, Clay and Glass Products	32	8,135	86,563	94,698	187,214
22	Primary Metal Products	33	2,147	111,987	114,134	247,929
23	Fabr Metal Prd, Exc Ordn Machy & Transp	34	179	7,791	7,970	36,391
24	Machinery, except Electrical	35	1,314	13,790	15,104	100,784
25	Electrical Machy, Equipment & Supplies	36	9	3,189	3,198	23,915
26	Transportation Equipment	37	68	29,767	29,835	162,632
27	Instr, Phot & Opt GD, Watches & Clocks	38	74	1,522	1,522	8,592
28	Miscellaneous Products of Manufacturing	39		1,247	1,321	7,746
29	Waste and Scrap Materials	40	50,509	160,417	210,926	591,359
30	Miscellaneous Freight Shipments	41	206	1,294	1,500	10,343
31	Containers, Shipping, Returned Empty	42	1,444	617	2,061	5,104
32	Freight Forwarder Traffic	44		41,690	41,690	152,748
33	Shipper Assn or Similar Traffic	45		11	11	59
34	Misc Shipments except Forwarder (44) or shipper Assn (45)	46	140	2,894	3,034	8,942
35	GRAND TOTAL, CARLOAD TRAFFIC		218,550	1,375,307	1,593,857	4,050,745
36	Small Packaged Freight Shipments	47	419	2,707	3,126	53,377
37	Grand Total, Carload & LCL Traffic		218,969	1,378,014	1,596,983	4,104,122

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

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

☐ Supplemental Report NOT OPEN TO PUBLIC INSPECTION.

ABBREVIATIONS USED IN COMMODITY DESCRIPTIONS

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

2701. SWITCHING AND TERMINAL TRAFFIC AND CAR STATISTICS

[FOR SWITCHING OR TERMINAL COMPANIES ONLY]

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

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

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

Item No.	Item (a)	Switching operations (b)		Terminal operations (c)		Total (d)	
	FREIGHT TRAFFIC						
1	Number of cars handled earning revenue—Loaded.....	NOT APPLICABLE					
2	Number of cars handled earning revenue—Empty.....						
3	Number of cars handled at cost for tenant companies—Loaded.....						
4	Number of cars handled at cost for tenant companies—Empty.....						
5	Number of cars handled not earning revenue—Loaded.....						
6	Number of cars handled not earning revenue—Empty.....						
7	Total number of cars handled.....						
	PASSENGER TRAFFIC						
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 (items 7 and 14).....						
16	Total number of cars handled in work service.....						

Number of locomotive-miles in yard-switching service: Freight, -----; passenger, -----

2801. INVENTORY OF EQUIPMENT INSTRUCTIONS

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

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

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

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

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

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

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

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

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

Line No.	Item	Units in service of respondent at beginning of year	Number added during year	Number retired during year	NUMBER AT CLOSE OF YEAR			Aggregate capacity of units reported in col. (g) (See ins. 6)	Number leased to others at close of year
					Owned and used	Leased from others	Total in service of respondent (e+f)		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
LOCOMOTIVE UNITS									
1.	Diesel-----	13			13		13	(h.p.) 19,650	None
2.	Electric-----								
3.	Other-----								
4.	Total (lines 1 to 3)-----	13					13	19,650	None
FREIGHT-TRAIN CARS									
								(tons)	
5.	Box-General service (A-20, A-30, A-40, A-50, all B (except B080) L070, R-00, R-01, R-06, R-07)-----	33			33		33	2,079	
6.	Box-Special service (A-00, A-10, B080)-----								
7.	Gondola (All G, J-00, all C, all E)-----	78		1	77		77	5,320	
8.	Hopper-Open top (All H, J-10, all K)-----	15			15		15	1,022	
9.	Hopper-Covered (L-5-)-----								
10.	Tank (All T)-----	2		1	1		1	30	
11.	Refrigerator-Mechanical (R-04, R-10, R-11, R-12)-----								
12.	Refrigerator-Non-Mechanical (R-02, R-03, R-05, R-08, R-09, R-13, R-14, R-15, R-16, R-17)-----								
13.	Stock (All S)-----								
14.	Autorack (F-5-, F-6-)-----								
15.	Flat (All F (except F-5-, F-6-, F-7-, F-8-), L-2-L-3-)-----	4			4		4	170	
16.	Flat-TOFC (F-7-, F-8-)-----	2				2	2	140	
17.	All other (L-0-, L-1-, L-4-, L080, L090)-----								
		134		2	130	2	132	8,761	None
18.	Total (lines 5 to 17)-----								
19.	Caboose (All N)-----	5		1	4		4	XXXX	
20.	Total (lines 18 and 19)-----	139		3	134	2	136	XXXX	None
PASSENGER-TRAIN CARS									
NON-SELF-PROPELLED									
								(seating capacity)	
21.	Coaches and combined cars (PA, PB, PBO, all class C, except CSB)-----								
22.	Parlor, sleeping, dining cars (PBC, PC, PL, PO, PS, PT, PAS, PDS, all class D, PD)-----								
23.	Non-passenger carrying cars (All class B, CSB, PSA, IA, all class M)-----							XXXX	
24.	Total (lines 21 to 23)-----	None					None		None

2801. INVENTORY OF EQUIPMENT—Concluded

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

Line No.	Item	Units in service of respondent at beginning of year	Number added during year	Number retired during year	NUMBER AT CLOSE OF YEAR			Aggregate capacity of units reported in col. (g) (See ins. 6)	Number leased to others at close of year
					Owned and used	Lensed from others	Total in service of respondent (e+f)		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
	PASSENGER-TRAIN CARS — Continued							(Seating capacity)	
25.	Electric passenger cars (EC, EP, ET)-----								
26.	Internal combustion rail motorcars (ED, EG)-----								
27.	Other self-propelled cars (Specify types)-----								
28.	Total (lines 25 to 27)-----	None					None		None
29.	Total (lines 24 and 28)-----	None					None		None
	COMPANY SERVICE CARS								
30.	Business cars (PV)-----							xxxx	
31.	Boarding outfit cars (MWX)-----	4	1		5		5	xxxx	
32.	Derrick and snow removal cars (MWK, MWU, MWV, MWW)-----							xxxx	
33.	Dump and ballast cars (MWB, MWD)-----							xxxx	
34.	Other maintenance and service equipment cars-----	10		2	8		8	xxxx	
35.	Total (lines 30 to 34)-----	14	1	2	13		13	xxxx	None
36.	Grand total (lines 20, 29, and 35)-----	153	1	5	147	2	149	xxxx	None
	FLOATING EQUIPMENT								
37.	Self-propelled vessels (Tugboats, car ferries, etc.)-----							xxxx	
38.	Non-self-propelled vessels (Car floats, lighters, etc.)-----							xxxx	
39.	Total (lines 37 and 38)-----	None					None	xxxx	None

2900. IMPORTANT CHANGES DURING THE YEAR

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

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

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

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

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

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

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

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

8. All other important financial changes.

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

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

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

NONE

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

Miles of road constructed Miles of road abandoned

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

VERIFICATION

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

OATH

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

State of Texas }
County of Webb } ss:

Milton Conring makes oath and says that he is Auditor and Secretary
(Insert here the name of the affiant) (Insert here the official title of the affiant)
of The Texas Mexican Railway Company
(Insert here the exact legal title or name of the respondent)

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

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

Milton Conring
(Signature of affiant)

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

county above named, this 7th day of April, 1970

My commission expires June 1, 1971

[Use an
L. S.
impression seal]

R. J. Smith
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of Texas }
County of Webb } ss:

B. F. Wright, Jr. makes oath and says that he is Vice President - General Manager
(Insert here the name of the affiant) (Insert here the official title of the affiant)
of The Texas Mexican Railway Company
(Insert here the exact legal title or name of the respondent)

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

B. F. Wright, Jr.
(Signature of affiant)

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

county above named, this 7th day of April, 1970

My commission expires June 1, 1971

[Use an
L. S.
impression seal]

R. J. Smith
(Signature of officer authorized to administer oaths)

701. ROAD AND EQUIPMENT PROPERTY

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

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

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

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

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

Line No.	Account (a)	BALANCE AT BEGINNING OF YEAR		TOTAL EXPENDITURES DURING THE YEAR		BALANCE AT CLOSE OF YEAR	
		Entire line (b)	State (c)	Entire line (d)	State (e)	Entire line (f)	State (g)
1	(1) Engineering.....	\$ 70 676	\$ 70 676	\$ (334)	\$ (334)	\$ 70 342	\$ 70 342
2	(2) Land for transportation purposes.....	136 584	136 584			136 584	136 584
3	(2½) Other right-of-way expenditures.....	3 339	3 339			3 339	3 339
4	(3) Grading.....	426 174	426 174	(1 948)	(1 948)	424 226	424 226
5	(5) Tunnels and subways.....						
6	(6) Bridges, trestles, and culverts.....	447 144	447 144	(13 474)	(13 474)	433 670	433 670
7	(7) Elevated structures.....						
8	(8) Ties.....	536 246	536 246	(3 848)	(3 848)	532 398	532 398
9	(9) Rails.....	1 213 376	1 213 376	58 841	58 841	1 272 217	1 272 217
10	(10) Other track material.....	577 655	577 655	52 356	52 356	630 011	630 011
11	(11) Ballast.....	430 422	430 422	(309)	(309)	430 113	430 113
12	(12) Track laying and surfacing.....	478 755	478 755	(1 627)	(1 627)	477 128	477 128
13	(13) Fences, snowsheds, and signs.....	48 414	48 414	(26)	(26)	48 388	48 388
14	(16) Station and office buildings.....	749 404	749 404	9 770	9 770	759 174	759 174
15	(17) Roadway buildings.....	19 202	19 202	845	845	20 047	20 047
16	(18) Water stations.....	5 562	5 562			5 562	5 562
17	(19) Fuel stations.....	4 558	4 558			4 558	4 558
18	(20) Shops and enginehouses.....	137 101	137 101	(3 368)	(3 368)	133 733	133 733
19	(21) Grain elevators.....						
20	(22) Storage warehouses.....						
21	(23) Wharves and docks.....						
22	(24) Coal and ore wharves.....						
23	(26) Communication systems.....	2 040	2 040	3 287	3 287	5 327	5 327
24	(27) Signals and interlockers.....	73 042	73 042	808	808	73 850	73 850
25	(29) Powerplants.....						
26	(31) Power-transmission systems.....						
27	(35) Miscellaneous structures.....	1 873	1 873			1 873	1 873
28	(37) Roadway machines.....	206 295	206 295	17 833	17 833	224 128	224 128
29	(38) Roadway small tools.....	900	900			900	900
30	(39) Public improvements—Construction.....	98 550	98 550	10 816	10 816	109 366	109 366
31	(43) Other expenditures—Road.....						
32	(44) Shop machinery.....	65 187	65 187			65 187	65 187
33	(45) Powerplant machinery.....						
34	Leased property capitalized rentals (explain).....						
35	(51) Other (specify & explain).....						
36	Total expenditures for road.....	5 732 499	5 732 499	129 622	129 622	5 862 121	5 862 121
37	(51) Steam locomotives.....						
38	(52) Other locomotives.....	1 899 458	1 899 458	3 488	3 488	1 902 946	1 902 946
39	(53) Freight-train cars.....	957 590	957 590	(12 031)	(12 031)	945 559	945 559
40	(54) Passenger-train cars.....						
41	(56) Floating equipment.....						
42	(57) Work equipment.....	15 676	15 676	(1 134)	(1 134)	14 542	14 542
43	(58) Miscellaneous equipment.....	107 160	107 160	15 850	15 850	123 010	123 010
44	Total expenditures for equipment.....	2 979 884	2 979 884	6 173	6 173	2 986 057	2 986 057
45	(71) Organization expenses.....	5 438	5 438			5 438	5 438
46	(76) Interest during construction.....	104 573	104 573	(443)	(443)	104 130	104 130
47	(77) Other expenditures—General.....	23 152	23 152	(163)	(163)	22 989	22 989
48	Total general expenditures.....	133 163	133 163	(606)	(606)	132 557	132 557
49	Total.....	8 845 546	8 845 546	135 189	135 189	8 980 735	8 980 735
50	(80) Other elements of investment.....						
51	(90) Construction work in progress.....						
52	GRAND TOTAL.....	8 845 546	8 845 546	135 189	135 189	8 980 735	8 980 735

2002. RAILWAY OPERATING EXPENSES

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

Line No.	Name of railway operating expense account	AMOUNT OF OPERATING EXPENSES FOR THE YEAR						Name of railway operating expense account	AMOUNT OF OPERATING EXPENSES FOR THE YEAR						
		Entire line			State				Entire line			State			
		(b)			(e)				(f)			(i)			
	(a)	\$			\$				(d)	\$			\$		
1	MAINTENANCE OF WAY AND STRUCTURES	x x	x x	x x	x x	x x	x x	(2247) Operating joint yards and terminals—Cr	(334 098)	(	334 098			
2	(2201) Superintendence		56	779		56	779	(2248) Train employees		171	805		171	805	
3	(2202) Roadway maintenance		839	532		839	532	(2249) Train fuel		55	082		55	082	
4	(2203) Maintaining structures		25	769		25	769	(2251) Other train expenses		30	715		30	715	
5	(2203½) Retirements—Road		13	718		13	718	(2252) Injuries to persons		36	345		36	345	
6	(2204) Dismantling retired road property		3	977		3	977	(2253) Loss and damage		9	427		9	427	
7	(2208) Road Property—Depreciation		54	462		54	462	(2254) Other casualty expenses		18	546		18	546	
8	(2209) Other maintenance of way expenses		88	269		88	269	(2255) Other rail transportation expenses		96	586		96	586	
9	(2210) Maintaining joint tracks, yards, and other facilities—Dr		6	507		6	507	(2256) Operating joint tracks and facilities—Dr			568			568	
10	(2211) Maintaining joint tracks, yards, and other facilities—Cr		(86	772)		(86	772)	(2257) Operating joint tracks and facilities—Cr							
11	Total maintenance of way and struc.		1	002		1	002	Total transportation—Rail line		1	344		1	344	
12	MAINTENANCE OF EQUIPMENT	x x	x x	x x	x x	x x	x x	MISCELLANEOUS OPERATIONS	x x	x x	x x	x x	x x	x x	
13	(2221) Superintendence		56	834		56	834	(2258) Miscellaneous operations							
14	(2222) Repairs to shop and power-plant machinery		2	271		2	271	(2259) Operating joint miscellaneous facilities—Dr							
15	(2223) Shop and power-plant machinery—Depreciation		1	708		1	708	(2260) Operating joint miscellaneous facilities—Cr							
16	(2224) Dismantling retired shop and power-plant machinery							Total miscellaneous operating							
17	(2225) Locomotive repairs		106	812		106	812	GENERAL	x x	x x	x x	x x	x x	x x	
18	(2226) Car repairs		120	803		120	803	(2261) Administration		350	180		350	180	
19	(2227) Other equipment repairs		36	048		36	048	(2262) Insurance			606			606	
20	(2228) Dismantling retired equipment							(2264) Other general expenses		70	027		70	027	
21	(2229) Retirements—Equipment							(2265) General joint facilities—Dr							
22	(2234) Equipment—Depreciation		133	907		133	907	(2266) General joint facilities—Cr							
23	(2235) Other equipment expenses		32	819		32	819	Total general expenses		420	813		420	813	
24	(2236) Joint maintenance of equipment expenses—Dr		13	579		13	579	RECAPITULATION	x x	x x	x x	x x	x x	x x	
25	(2237) Joint maintenance of equipment expenses—Cr		(75	528)		(75	528)	Maintenance of way and structures		1	002		1	002	
26	Total maintenance of equipment		429	253		429	253	Maintenance of equipment			429			429	
27	TRAFFIC	x x	x x	x x	x x	x x	x x	Traffic expenses		224	180		224	180	
28	(2240) Traffic Expenses		224	180		224	180	Transportation—Rail line		1	344		1	344	
29	TRANSPORTATION—RAIL LINE	x x	x x	x x	x x	x x	x x	Miscellaneous operations							
30	(2241) Superintendence and dispatching		58	622		58	622	General expenses		420	813		420	813	
31	(2242) Station service		350	913		350	913	Grand Total Railway Operating Exp.		3	421		3	421	
32	(2243) Yard employees		739	220		739	220								
33	(2244) Yard switching fuel		25	954		25	954								
34	(2245) Miscellaneous yard expenses		50	254		50	254								
35	(2246) Operating joint yard and terminals—Dr		34	845		34	845								
36	Operating ratio (ratio of operating expenses to operating revenues), 77.37 percent. (Two decimal places required.)														

2003. MISCELLANEOUS PHYSICAL PROPERTIES OPERATED DURING THE YEAR

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

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

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

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

Line No.	Item (a)	LINE OPERATED BY RESPONDENT							
		Class 1: Line owned		Class 2: Line of proprietary companies		Class 3: Line operated under lease		Class 4: Line operated under contract	
		Added during year (b)	Total at end of year (c)	Added during year (d)	Total at end of year (e)	Added during year (f)	Total at end of year (g)	Added during year (h)	Total at end of year (i)
1	Miles of road.....		161.38						
2	Miles of second main track.....								
3	Miles of all other main tracks.....								
4	Miles of passing tracks, crossovers, and turnouts.....								
5	Miles of way switching tracks.....	(.11)	18.82						
6	Miles of yard switching tracks.....	(.19)	37.84				3.72		19.11
7	All tracks.....	(.30)	218.04				3.72		19.11

Line No.	Item (j)	LINE OPERATED BY RESPONDENT				LINE OWNED BUT NOT OPERATED BY RESPONDENT	
		Class 5: Line operated under trackage rights		Total line operated			
		Added during year (k)	Total at end of year (l)	At beginning of year (m)	At close of year (n)	Added during year (o)	Total at end of year (p)
1	Miles of road.....			161.38	161.38		
2	Miles of second main track.....						
3	Miles of all other main tracks.....						
4	Miles of passing tracks, crossovers, and turnouts.....						
5	Miles of way switching tracks—Industrial.....						
6	Miles of way switching tracks—Other.....			18.93	18.82		
7	Miles of yard switching tracks—Industrial.....						
8	Miles of yard switching tracks—Other.....		.37	61.23	61.04		
9	All tracks.....		.37	241.54	241.24		

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

2302. RENTS RECEIVABLE

INCOME FROM LEASE OF ROAD AND EQUIPMENT

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

2303. RENTS PAYABLE

RENT FOR LEASED ROADS AND EQUIPMENT

Line No.	Road leased (a)	Location (b)	Name of lessor (c)	Amount of rent during year (d)	
21	Minor Items, each less than \$50,000 per annum	Various	Various	\$	
22					17.162
23					
24					
25					
TOTAL					17.162

2304. CONTRIBUTIONS FROM OTHER COMPANIES

2305. INCOME TRANSFERRED TO OTHER COMPANIES

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