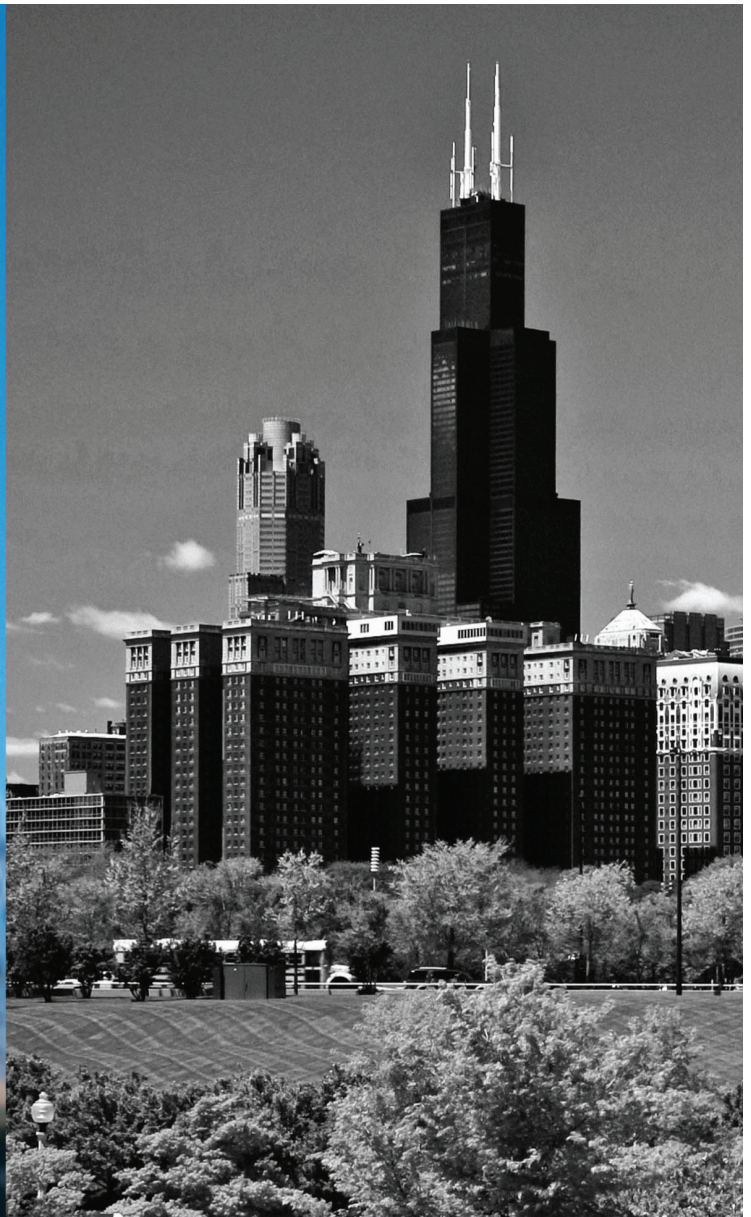




Class I Railroad Annual Report
to the Surface Transportation Board
for the Year Ending December 25, 2009



NOTICE

1. This report is required for every class I railroad operating within the United States. Three copies of this Annual Report should be completed. Two of the copies must be filed with the Surface Transportation Board, Office of Economics, Environmental Analysis, and Administration, The Mercury Building, 1925 K St. N.W., Suite 500, Washington, DC 20423, by March 31 of the year following that for which the report is made. One copy should be retained by the carrier.
2. Every inquiry must be definitely answered. Where the word “none” truly and completely states the fact, it should be given as the answer. If any inquiry is inapplicable, the words “not applicable” should be used.
3. Wherever the space provided in the schedules is insufficient to permit a full and complete statement of the requested information, inserts should be prepared and appropriately identified by the number of the schedule.
4. All entries should be made in a permanent black ink or typed. Those of a contrary character must be indicated in parenthesis. Items of an unusual character must be indicated by appropriate symbols and explained in footnotes.
5. Money items, except averages, throughout the annual report form should be shown in thousands of dollars adjusted to accord with footings. Totals for amounts reported in subsidiary accounts included in supporting schedules must be in agreement with related primary accounts. For purposes of rounding, amounts of \$500 but less than \$1,000 should be raised to the nearest thousand dollars, and amounts of less than \$500 should be lowered.
6. Except where the context indicates some other meaning, the following terms when used in this Form have the following meanings:
 - (a) Board means *Surface Transportation Board* .
 - (b) Respondent means *the person or corporation in whose behalf the report is made* .
 - (c) Year means *the year ended December 31 for which the report is being made*.
 - (d) Close of the Year means *the close of business on December 31 for the year in which the report is being made*. If the report is made for a shorter period than one year, it means *the close of the period covered by the report* .
 - (e) Beginning of the Year means *the beginning of business on January 1 of the year for which the report is being made*. If the report is made for a shorter period than one year, it means *the beginning of that period* .
 - (f) Preceding Year means *the year ended December 31 of the year preceding the year for which the report is made* .
 - (g) The Uniform System of Accounts for Railroad Companies means *the system of accounts in Part 1201 of Title 49, Code of Federal Regulations, as amended*.
7. The ICC Termination Act of 1995 abolished the Interstate Commerce Commission and replaced it with the Surface Transportation Board. Any references to the Interstate Commerce Commission or Commission contained in this report refer to the Surface Transportation Board.
8. Any references to the Bureau of Accounts or the Office of Economics contained in this report refer to the Office of Economics, Environmental Analysis, and Administration of the Surface Transportation Board.
9. NOTE - An additional line has been added to Schedule 755 (Line 134) effective with the 2004 R-1. Also note that the instructions for completion of Schedule 755 now have two additional items (Instructions U and V).
10. NOTE - The columns in Schedule 710-Distribution of Locomotive Units In Service of Respondent At Close Of Year, Disregarding Year of Rebuilding have been revised to reflect new five year periods.
11. NOTE - The following supplemental information about STB information collections is provided in compliance with OMB requirements and pursuant to the Paperwork Reduction Act of 1995, 44 U.S.C. 3501 et seq.:

Supplemental Information about the Annual Report (R-1)

This information collection is mandatory pursuant to 49 U.S.C. 11145.

The estimated hour burden for filing this report is less than 800 hours.

Information in the Annual Reports is used to monitor and assess railroad industry growth, financial stability, traffic, and operations and to identify industry changes that may affect national transportation policy. In addition, the Board uses data from these reports to more effectively carry out regulatory responsibilities, such as acting on railroad requests for authority to engage in Board regulated financial transactions (for example, mergers, acquisitions of control, consolidations, and abandonments); conducting investigations and rulemakings; conducting rail revenue adequacy proceedings; developing rail cost adjustment factors; and developing the URCS, which is a cost measurement methodology. URCS was developed by the Board pursuant to 49 U.S.C. 11161 and is used as a tool in rail rate proceedings to calculate the variable costs associated with providing a particular service in accordance with 49 U.S.C. 10707(d). The Board also uses the information that it obtains through the annual railroad industry waybill sample, see 49 CFR 1244, and in railroad abandonment proceedings to measure off-branch costs, pursuant to 49 U.S.C. 10904(a) and in accordance with 49 CFR 1152.32(n).

The information in this report is ordinarily maintained by the agency in hard copy for 10 years, after which it is transferred to the National Archives, where it is maintained as a permanent record. These reports are also maintained by the agency indefinitely on microfiche. In addition, some of this information is posted on the Board's website, www.stb.dot.gov, where it may remain indefinitely. All information collected through this report is available to the public.

The OMB control number for this collection is 2140-0009. The display of a currently valid OMB control number is required by law.

Supplemental Information about the Quarterly Condensed Balance Sheet (CBS)

This information collection is mandatory under 49 CFR 1243.2.

The estimated hour burden for filing this report is six hours per report.

The Board uses the information in this report to ensure competitive, efficient, and safe transportation through general oversight programs that monitor and forecast the financial and operating condition of railroads, and through specific regulation of railroad-rate and service issues and rail-restructuring proposals, including railroad mergers, consolidations, acquisitions of control, and abandonments. Information from the reports is used by the Board, other Federal agencies, and industry groups, including the Association of American Railroads, to assess industry growth and operations, detect changes in carrier financial stability, and identify trends that may affect the national transportation system.

Information from these reports is compiled by the Board and published on its website, www.stb.dot.gov, where it may be maintained indefinitely. The compilation report is entitled Class I Railroads, Selected Earnings Data. In addition, paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed. All information collected through this report is available to the public.

The display of a currently valid OMB control number for this collection is required by law.

Supplemental Information about the Quarterly Report of Revenues, Expenses, and Income (Form RE&I)

This information collection is mandatory pursuant to 49 U.S.C. 11164 and 49 CFR 1243.1.

The estimated hour burden for filing this report is six hours per report.

The Board uses the information in this report to ensure competitive, efficient, and safe transportation through general oversight programs that monitor and forecast the financial and operating condition of railroads, and through regulation of railroad rate and service issues and rail restructuring proposals, including railroad mergers, consolidations, acquisitions of control and abandonments. Information from the reports is used by the Board, other Federal agencies and industry groups to monitor and assess industry growth and operations, detect changes in carrier financial stability, and identify trends that may affect the national transportation system. Individual and aggregate carrier information is needed in our decision making process.

Information from these reports is compiled by the Board and published on its website, www.stb.dot.gov, where it may be maintained indefinitely. The compilation report is entitled Class I Railroads, Selected Earnings Data. In addition, paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed. All information collected through this report is available to the public.

The display of a currently valid OMB control number for this collection is required by law.

Supplemental Information about the Report of Railroad Employees, Service, and Compensation (Wage Forms A & B)

This information collection is mandatory pursuant to 49 U.S.C. 11145 and 49 CFR 1245.2.

The estimated hour burden for filing this report is 30 hours per quarterly report and 40 hours per annual report.

The Board uses information in this report to forecast labor costs and measure the efficiency of the reporting railroads. The information is also used by the Board to evaluate proposed regulated transactions that may impact rail employees. These transactions include mergers and consolidations, acquisitions of control, purchases, and abandonments. Other Federal agencies and industry groups, including the Railroad Retirement Board, the Bureau of Labor Statistics, and the Association of American Railroads, depend on the information contained in the reports to monitor railroad operations.

Certain information from the reports is compiled and published on the Board's website, www.stb.dot.gov, where it may be maintained indefinitely. In addition, paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed. All information collected through this report is available to the public.

The OMB control number for this collection is 2140-0004. The display of a currently valid OMB control number is required by law.

Supplemental Information about the Monthly Report of Number of Employees of Class I Railroads (Wage Form C)

This information collection is mandatory pursuant to 49 U.S.C. 11145 and 49 CFR 1246.1.

The estimated hour burden for filing this report is 1.25 hours per monthly report.

The Board uses information in this report to forecast labor costs and measure the efficiency of the reporting railroads. The information is also used by the Board to evaluate proposed regulated transactions that may impact rail employees, including mergers and consolidations, acquisitions of control, purchases, and abandonments. Other Federal agencies and industry groups, including the Railroad Retirement Board, the Bureau of Labor Statistics, and the Association of American Railroads, depend on the information contained in the reports to monitor railroad operations.

The information in this report is compiled and published on the Board's website, www.stb.dot.gov, where it may be maintained indefinitely. In addition, paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed. All information collected through this report is available to the public.

The OMB control number for this collection is 2140-0007. The display of a currently valid OMB control number is required by law.

Supplemental Information about the Annual Report of Cars Loaded and Cars Terminated (Form STB-54)

This information collection is mandatory pursuant to 49 U.S.C. 11162 and 49 CFR 1247.

The estimated hour burden for filing this report is four hours per report.

The Board uses information in this report to forecast labor costs and measure the efficiency of the reporting railroads. Information in this report is entered into the Board's URCS. In addition, many other Federal agencies and industry groups, including the Department of Transportation and the Association of American Railroads (AAR), depend on Form STB-54 for information regarding the number of cars loaded and terminated on the reporting carrier's line.

All information collected through this report is available to the public. Paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed.

The OMB control number for this collection is 2140-0011. The display of a currently valid OMB control number is required by law.

Supplemental Information about the Quarterly Report of Freight Commodity Statistics (Form QCS)

This information collection is mandatory pursuant to 49 U.S.C. 11145 and 49 CFR 1248.

The estimated hour burden for filing this report is 217 hours per report.

Information in this report is entered into the Board's URCS.

All information collected through this report is available to the public. Paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed.

The OMB control number for this collection is 2140-0001. The display of a currently valid OMB control number is required by law.

For Index, See Back of Form

ANNUAL REPORT OF

CSX TRANSPORTATION, INC.

TO THE SURFACE TRANSPORTATION BOARD FOR THE YEAR ENDED DECEMBER 25, 2009

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

(Name) **Melissa Mucha** (Title) **AVP Assistant Controller**

(Telephone number) **(904) 359-3494**
(Area code) (Telephone number)

(Office address) **500 Water Street, 2nd Floor C729, Jacksonville, Florida 32202-4423**
(Street and number, city, state, and ZIP code)

TABLE OF CONTENTS		
	Schedule No.	Page
Schedules Omitted by Respondent	A	1
Identity of Respondent	B	2
Voting Powers and Elections	C	3
Comparative Statement of Financial Position	200	5
Results of Operations	210	16
Retained Earnings - Unappropriated	220	19
Capital Stock	230	20
Statement of Cash Flows	240	21
Working Capital Information	245	23
Investments and Advances - Affiliated Companies	310	26
Investments in Common Stocks of affiliated Companies	310A	30
Road Property and Equipment and Improvements to Leased Property and Equipment	330	32
Depreciation Base and Rates - Road and Equipment Owned and Used and Leased from Others	332	34
Accumulated Depreciation - Road and Equipment Owned and Used	335	35
Accrued Liability - Leased Property	339	36
Depreciation Base and Rates - Improvements to Road and Equipment Leased from Others	340	37
Accumulated Depreciation - Improvements to Road and Equipment Leased from Others	342	38
Depreciation Base and Rates - Road and Equipment Leased to Others	350	40
Accumulated Depreciation - Road and Equipment Leased to Others	351	41
Investment in Railroad Property Used in Transportation Service (By Company)	352A	42
Investment in Railroad Property Used in Transportation Service (By Property Accounts)	352B	43
Railway Operating Expenses	410	45
Way and Structures	412	52
Rents for Interchanged Freight Train Cars and Other Freight Carrying Equipment	414	53
Supporting Schedule - Equipment	415	56
Supporting Schedule - Road	416	58
Specialized Service Subschedule - Transportation	417	60
Supporting Schedule - Capital Leases	418	61
Analysis of Taxes	450	63
Items in Selected Income and Retained Earnings Accounts for the Year	460	65
Guaranties and Suretyships	501	66
Compensating Balances and Short-Term Borrowing Arrangements	502	67
Separation of Debtholdings Between Road Property and Equipment	510	69
Transactions Between Respondent and Companies or Persons Affiliated with Respondent for Services Received or Provided	512	72
Mileage Operated at Close of Year	700	74
Miles of Road at Close of Year - By States and Territories (Single Track)	702	75
Inventory of Equipment	710	78
Unit Cost of Equipment Installed During the Year	710S	84
Ties Laid in Replacement	721	86
Ties Laid in Additional Tracks and in New Lines and Extensions	722	87
Rails Laid in Replacement	723	88
Rails Laid in Additional Tracks and in New Lines and Extensions	724	89
Weight of Rail	725	90
Summary of Track Replacements	726	91
Railroad Operating Statistics	755	94
Verification		98
Memoranda		99
Index		100
Note: Form 250 has been filed separately with the STB and is not included in the R-1 report.		

SPECIAL NOTICE

Docket No. 38559, Railroad Classification Index, (ICC served January 20, 1983), modified the reporting requirements for Class II, Class III, and Switching and Terminal Companies. These carriers will notify the Board only if the calculation results in a different revenue level than its current classification.

The dark borders on the schedules represents data that are captured by the Board.

It is estimated that an average of 800 burden hours per response are required to complete this collection of information. This estimate includes time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Comments concerning the accuracy of this burden estimate or suggestions for reducing this burden should be directed to the Office of the Secretary, Surface Transportation Board.

A. SCHEDULES OMITTED BY RESPONDENT

1. The respondent, at its option, may omit pages from this report provided there is nothing to report or the schedules are not applicable.
2. Show the pages excluded, as well as the schedule number and title, in the space provided below.
3. If no schedules were omitted, indicate "NONE".

Page	Schedule No.	Title
		NONE

B. IDENTITY OF RESPONDENT

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

1. Give the exact name of the respondent in full. Use the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between railroad and railway. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification." If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision. If the report is for a consolidated group, pursuant to Special Permission from the Board, indicate such fact on line 1 below and list the consolidated group on page 4.
2. If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, also give date when such receivership or other possession began. If a partnership, give date of formation and also names in full of present partners.
3. State the occasion for the reorganization, whether by reason of foreclosure of mortgage or otherwise, according to the fact. Give date of organization of original corporation and refer to laws under which organized.

1. Exact name of common carrier making this report: CSX Transportation, Inc. (consolidated)
2. Date of incorporation: January 26, 1944
3. Under laws of what Government, State, or Territory organized? If more than one, name all. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership and of appointment of receivers of trustees:
Virginia

4. If the respondent was reorganized during the year, involved in a consolidation or merger, or conducted its business under a different name, give full particulars:

STOCKHOLDERS' REPORTS

5. The respondent is required to send the Office of Economic and Environmental Analysis, 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 on: _____ (date)

☒ No annual report to stockholders is prepared.

C. VOTING POWERS AND ELECTIONS - Continued

10. State the total number of votes cast at the latest general meeting for the election of the respondent: 9,061,038 votes cast.
11. Give the date of such meeting: April 27, 2009
12. Give the place of such meeting: Votes cast by unanimous written consent.

NOTES AND REMARKS

The consolidated financial statements and supporting schedules included in this annual report include CSX Transportation, Inc. and the following subsidiaries:

Allegheny and Western Railway Company	Home Avenue Railroad Company, The
Appalachian and Ohio Railroad, Inc.	Indiana Rail Road Company, The
Atlanta, Knoxville & Northern Railway Company	James Center Development Company
Atlantic Land and Improvement Company, The	L&N Investment Corporation
Baltimore and Cumberland Valley Rail Road Extension Company, The	Lake Erie and Detroit River Railway Company, The
Baltimore and Ohio Chicago Terminal Railroad Company, The	Lakefront Dock and Railroad Terminal Company, The
Buffalo, Rochester and Pittsburgh Railway Company	Lakeland City Center, Inc.
Carrollton Railroad, The	Mahoning State Line Railroad Company
Cincinnati Inter-Terminal Railroad Company, The	Midland United Corporation
CSX Capital Management, Inc.	Neville Island Terminal Railway Company, The
CSX Realty Development, LLC	NOLA Natural Resources, LLC
CSX Transportation International, Inc.	North Charleston Terminal Company
CSX Transportation Terminals, Inc.	NYC Pere Marquette LLC
CSXT Intellectual Properties Corporation	Paducah and Louisville Railway, Inc.
Curtis Bay Company	Rail One Corporation
Dayton and Michigan Railroad Company	Rail Wagons - II, Inc.
Dependable Rail Service, Inc.	Rail Wagons, Inc.
Distribution Services, Inc.	RDC Projects, LLC
DOCP Holdings, Inc.	Real Estate and Improvement Company of Baltimore City, The
Energy Resources and Logistics, Inc.	Richmond, Fredericksburg & Potomac Railway Company
Evansville Western Railway, Inc.	Savannah Harbor, LLC
FGMR, Inc.	Seaboard Coast Line Railway Supplies, Inc.
Four Rivers Finance Co., Inc.	St. Lawrence & Adirondack Railway Company
Four Rivers Transportation, Inc.	Staten Island - Arlington, Inc.
Fruit Growers Dispatch, Inc.	Staten Island Railroad Corporation, The
Fruit Growers Express Company	Three Rivers Railway Company, The
Gainesville Midland Railroad Company	Toledo Ore Railroad Company, The
Georgetown and High Line Railway Company, LLC	TransKentucky Transportation Railroad, Inc.
Harborshore at Boca Bay Development Corporation	Tylerdale Connecting Railroad Company, The
Holston Land Company, Incorporated	Unified Services, Inc.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS
(Dollars in Thousands)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
			Current Assets			
1		701	Cash	29,825	63,276	1
2		702	Temporary cash investments	-	11	2
3		703	Special deposits	-	-	3
4		704	Accounts receivable - Loan and notes	-	-	4
5		705	- Interline and other balances	25,179	19,288	5
6		706	- Customers	51,791	477,023	6
7		707	- Other	140,614	160,437	7
8		708, 709	- Accrued accounts receivables	313,679	426,841	8
9		708.5	- Receivables from affiliated companies	368,719	-	9
10		709.5	- Less: Allowance for uncollectible accounts	(42,846)	(67,755)	10
11		710, 711, 714	Working funds prepayments deferred income tax debits	164,711	206,875	11
12		712	Materials and supplies	203,345	216,696	12
13		713	Other current assets	4,812	14,824	13
14			TOTAL CURRENT ASSETS	1,259,829	1,517,516	14
			Other Assets			
15		715, 716, 717	Special funds	-	-	15
16		721, 721.5	Investments and advances affiliated companies (Sch. 310 and 310A)	566,091	526,693	16
17		722, 723	Other investments and advances	1	1	17
18		724	Allowances for net unrealized loss on noncurrent marketable equity securities - Cr.	-	-	18
19		737, 738	Property used in other than carrier operation (Less depreciation) \$16,161 CY and \$7,194 PY	100,332	109,389	19
20		739, 741	Other assets	5,571	5,652	20
21		743	Other deferred debits	69,622	70,477	21
22		744	Accumulated deferred income tax debits	-	-	22
23			TOTAL OTHER ASSETS	741,617	712,212	23
			Road and Equipment			
24		731, 732	Road (Sch. 330) L-30 Col h & b	21,845,318	21,066,035	24
25		731, 732	Equipment (Sch 330) L-30 Col h & b	7,471,448	7,514,399	25
26		731, 732	Unallocated items	305,839	261,338	26
27		733, 735	Accumulated depreciation and amortization (Sch. 335, 342, 351)	(7,170,991)	(6,886,178)	27
28			Net Road and Equipment	22,451,614	21,955,594	28
29			TOTAL ASSETS	24,453,060	24,185,322	29

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDER'S EQUITY
(Dollars in Thousands)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Liabilities						
30		751	Loans and notes payable	8,512	248	30
31		752	Accounts payable: Interline and other balances	30,005	26,295	31
32		753	Audited accounts and wages	72,322	77,653	32
33		754	Other accounts payable	153,419	136,043	33
34		755, 756	Interest and dividends payable	20,470	21,931	34
35		757	Payables to affiliated companies	601,662	677,389	35
36		759	Accrued accounts payable	966,943	1,090,599	36
37		760, 761 761.5, 762	Taxes accrued	196,910	223,541	37
38		763	Other current liabilities	75,845	269,024	38
39		764	Equipment obligations and other long-term debt due within one year	110,114	115,565	39
40			TOTAL CURRENT LIABILITIES	2,236,202	2,638,288	40
Non-Current Liabilities						
41		765, 767	Funded debt unmatured	429,150	440,303	41
42		766	Equipment obligations	825,887	914,997	42
43		766.5	Capitalized lease obligations	10,334	16,724	43
44		768	Debt in default	-	-	44
45		769	Accounts payable: affiliated companies	-	-	45
46		770.1, 770.2	Unamortized debt premium	68,990	74,573	46
47		781	Interest in default	-	-	47
48		783	Deferred revenues - transfers from govt. authorities	-	-	48
49		786	Accumulated deferred income tax credits	6,826,170	6,549,150	49
50		771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits	992,347	1,060,039	50
51			TOTAL NONCURRENT LIABILITIES	9,152,878	9,055,786	51
Shareholder's Equity						
52		791, 792	Total capital stock	181,225	181,225	52
53			Common stock	181,225	181,225	53
54			Preferred stock	-	-	54
55			Discount on capital stock	-	-	55
56		794, 795	Additional capital	5,569,440	5,565,690	56
57		797	Retained earnings: Appropriated	-	-	57
58		798	Unappropriated	7,210,821	6,651,389	58
59		798.1	Net unrealized loss on noncurrent marketable equity securities	102,494	92,944	59
60		798.5	Less treasury stock	-	-	60
61			Net stockholders equity	13,063,980	12,491,248	61
62			TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	24,453,060	24,185,322	62

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued

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

Disclose the nature and amount of contingency that is material.

Examples of contingent liabilities are items which may become obligations as a result of pending or threatened litigation, assessments or possible assessments of additional taxes, and agreements or obligations to repurchase securities or property. Additional pages may be added if more space is needed. (Explain and/or reference to the following pages.)

See Note 4 on page 12A.

(a) Changes in valuation accounts.

8. Marketable equity securities.

		Cost	Market	Dr. (Cr.) to Income	Dr. (Cr.) to Stockholder's Equity
(Current Yr.)	Current Portfolio	-	-	-	N/A
as of 12/28/2007	Noncurrent Portfolio	-	-	N/A	-
(Previous Yr.)	Current Portfolio	-	-	N/A	N/A
as of 12/28/2007	Noncurrent Portfolio	-	-	N/A	N/A

At 12/26/2008, gross unrealized gains and losses pertaining to marketable equity securities were as follows:

	Gains	Losses
Current	\$ -	\$ -
Noncurrent	\$ -	\$ -

A net unrealized gain (loss) of \$ 0 on the sale of marketable securities was included in net income for N/A (year).

The cost of securities was based on the N/A (method) cost of all the shares of each security held at time of sale.

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

NOTE: 12/26/2008 (date) Balance sheet date of reported year unless specified as previous year.

NOTE 1. Nature of Operations and Significant Accounting Policies**Nature of Operations**

CSX Transportation, Inc. ("Respondent") provides an important link to the transportation supply chain through its approximately 21,000 route mile rail network, which serves major population centers in 23 states east of the Mississippi River, the District of Columbia and the Canadian provinces of Ontario and Quebec. It serves 70 ocean, river and lake ports along the Atlantic and Gulf Coasts, the Mississippi River, the Great Lakes and the St. Lawrence Seaway. The Respondent also serves thousands of production and distribution facilities through track connections to more than 240 short-line and regional railroads. The Respondent is a wholly owned subsidiary of CSX Corporation ("CSX").

Rail shipments include merchandise, automotive products, and coal, coke and iron ore. Service groups as a percent of rail revenue are as follows:

	2009	2008
Merchandise	56%	56%
Coal, Coke and Iron Ore	35%	34%
Automotive	7%	8%
Other	2%	2%
Total	100%	100%

The Respondent's merchandise business is the most diverse market with nearly 2.1 million carloads per year of aggregates (which includes crushed stone, sand and gravel), metal, phosphate, fertilizer, food, consumer (manufactured goods and appliances), agricultural, paper and chemical products.

The Respondent's coal business delivered approximately 1.6 million carloads of coal, coke and iron ore to electricity generating power plants, ocean, river and lake piers and terminals, steel makers and industrial plants. The Respondent transports almost one-third of every ton of coal used for generating electricity in the areas it serves.

The Respondent's automotive business delivers both finished vehicles and auto parts. The Respondent delivers approximately 30% of North America's light vehicles, serving both domestic manufacturers and the increasing number of global manufacturers that produce cars in the United States.

Other revenue includes revenue from regional subsidiary railroads, demurrage, switching and other incidental charges. Revenue from regional railroads includes shipments by railroads that the Respondent does not directly operate. Demurrage represents charges assessed when freight cars are held beyond a specified period of time. Switching revenue is generated when the Respondent switches cars between trains for a customer or another railroad.

Basis of Presentation

In the opinion of management, the accompanying consolidated financial statements contain all normal, recurring adjustments necessary to present fairly the financial position of the Respondent and its subsidiaries at December 2009 and December 2008, and the consolidated statements of income, cash flows and changes in shareholder's equity for fiscal years 2009 and 2008. Certain prior-year data have been reclassified to conform to the 2009 presentation.

Fiscal Year

The Respondent follows a 52/53 week fiscal reporting calendar. This fiscal calendar allows every quarter to consistently end on a Friday and to be of equal duration (13 weeks), resulting in a 52 week fiscal year. To maintain this type of reporting calendar, however, every sixth or seventh year (depending on the Gregorian calendar and when leap year falls), an extra week will be included in the fourth quarter (a 14-week fiscal quarter) and, therefore, that full fiscal year will have 53 weeks. The next 53 week fiscal year will be 2010, which will end on December 31, 2010.

Fiscal years 2009 and 2008 each consisted of 52 weeks ending on December 25, 2009 and December 26, 2008, respectively. Except as otherwise specified, references to full year indicate the Respondent's fiscal periods ended on these dates.

Principles of Consolidation

The consolidated financial statements include results of operations of the Respondent and subsidiaries over which CSX has majority ownership or financial control. All significant intercompany accounts and transactions have been eliminated. Most investments in companies that were not majority-owned were carried at cost (if less than 20% owned and the Respondent has no significant influence) or equity (if the Respondent has significant influence).

C. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common \$ 20 per share, first preferred \$ _____ per share, second preferred \$ _____ per share, debenture stock \$ _____ per share.

2. State whether or not each share of stock has the right to one vote. If not, give full particulars in a footnote. ☒ Yes ☐ No

3. Are voting rights proportional to holdings: ☒ Yes ☐ No. If no, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stocks: ☐ Yes ☒ No. If yes, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relationship between holdings and corresponding voting rights, indicating whether voting rights are actual or contingent and, if contingent, showing the contingency.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? ☐ Yes ☒ No. If yes, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing.

Books Not Closed

7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year. 9,061,038 votes, as of December 25, 2009 (date).

8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. One stockholders.

9. Give the names of the 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 one year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each, his or her address, the number of votes he or she 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 or she was entitled, with respect to securities held by him or her, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities (stating in a footnote the names of such other securities, if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements, give as supplemental information the names and addresses of the 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 at the close of the year.

Line No.	Name of Security Holder (a)	Address of Security Holder (b)	Number of Votes to Which Security Holder Was Entitled (c)	Number of Votes, Classified With Respect to Securities on Which Based			Line No.
				Stock			
				Common (d)	Second (e)	First (f)	
1	CSX Corporation	Jacksonville, FL	9,061,038	9,061,038			1
2							2
3							3
4							4
5							5
6							6
7							7
8							8
9							9
10							10
11							11
12							12
13							13
14							14
15							15
16							16
17							17
18							18
19							19
20							20
21							21
22							22
23							23
24							24
25							25
26							26
27							27
28							28
29							29
30							30

NOTE 1. Nature of Operations and Significant Accounting Policies, Continued***Cash and Cash Equivalents***

The Respondent participates in the CSX cash management plan, under which excess cash is advanced to CSX for investment. CSX then makes cash available to the Respondent as needed. Cash and cash equivalents consists of cash in banks and highly liquid investments having a typical maturity date of three months or less at the date of acquisition. Cash equivalents are carried at cost, which approximates market value.

Allowance for Doubtful Accounts

The Respondent maintains an allowance for doubtful accounts on uncollectible amounts related to freight receivables, public project receivables (work done by the Respondent on behalf of a government agency), claims for damages and other various receivables. The allowance is based upon the creditworthiness of customers, historical experience, the age of the receivable and current market and economic conditions. Uncollectible amounts were charged against the allowance account. The allowance for doubtful accounts is netted against accounts receivable.

Materials and Supplies

Materials and Supplies in the Schedule 200 are carried at average costs and consist primarily of fuel and parts used in the repair and maintenance of the Respondent's freight car and locomotive fleets, equipment and track structure.

Properties

All properties were stated at historical cost less an allowance for accumulated depreciation. The Respondent depreciates its rail assets, including main-line track, locomotives and freight cars, using the group-life method of accounting. The group-life method aggregates assets with similar lives and characteristics into groups and depreciates each of these groups as a whole. Regulations enforced by the Surface Transportation Board ("STB") of the U.S. Department of Transportation require periodic formal studies of ultimate service lives ("life studies") for all railroad assets. Factors taken into account during a life study include:

- statistical analysis of historical life and salvage data for each group of property;
- statistical analysis of historical retirements for each group of property;
- evaluation of current operations;
- evaluation of technological advances and maintenance schedules;
- previous assessment of the condition of the assets and outlook for their continued use;
- expected net salvage to be received upon retirement; and
- comparison of assets to the same asset groups with other companies.

The results of the life study process determine the service lives for each asset group under the group-life method. These studies are conducted by a third party expert and are analyzed by the Respondent's management. Resulting changes in service life estimates are subject to review and approval by the STB. Road assets, including main-line track, have estimated service lives ranging from 6 years for system roadway machinery to 75 years for tunnels. Equipment assets, including locomotives and freight cars, have estimated service lives ranging from 6 years for motor vehicles to 35 years for work equipment.

Changes in asset lives due to the results of the life studies are applied at the completion of the life study and continue until the next required life study. The life studies may also indicate that the recorded amount of accumulated depreciation is deficient (or in excess) of the amount indicated by the study. Any such deficiency (or excess) amount is amortized as a component of depreciation expense over the remaining useful life of the asset group until the next required life study.

The majority of non-rail property is depreciated using the straight-line method on a per asset basis. The depreciable lives of non-rail property are periodically reviewed by the Respondent and any changes are applied on a prospective basis. Amortization expense recorded under capital leases is included in depreciation expense on the Schedule 210.

For retirements or disposals of depreciable rail assets that occur in the ordinary course of business, the asset cost (net of salvage value or sales proceeds) is charged to accumulated depreciation and no gain or loss is recognized. For retirements or disposals of non-rail depreciable assets, infrequent disposal of rail assets outside the normal course of business and all dispositions of land, the resulting gains or losses are recognized at the time of disposal. Expenditures that significantly increase asset values or extend useful lives are capitalized. Repair and maintenance expenditures are charged to operating expense when the work is performed.

Properties and other long-lived assets are reviewed for impairment whenever events or business conditions indicate the carrying amount of such assets may not be fully recoverable. Initial assessments of recoverability are based on estimates of undiscounted future net cash flows associated with an asset or a group of assets in accordance with the Property, Plant,

NOTE 1. Nature of Operations and Significant Accounting Policies, Continued

and Equipment Topic in the Accounting Standards Codification ("ASC"). Where impairment is indicated, the assets are evaluated and their carrying amount is reduced to fair value based on undiscounted net cash flows or other estimates of fair value.

Revenue and Expense Recognition

The Respondent recognizes freight revenue using Free-On-Board ("FOB") Origin pursuant to *Revenue Recognition Topic* in the ASC. Accounting guidance in this topic provides for the allocation of revenue between reporting periods based on relative transit time in each reporting period. Expenses are recognized as incurred.

The certain key estimates included in the recognition and measurement of revenue and related accounts receivable under the policies described above are as follows:

- revenue associated with shipments in transit, which are based on historical freight car movement data as well as average cycle times to move commodities from their origin to their final destination or interchange;
- future adjustments to revenue or accounts receivable for billing corrections, billing discounts, bad debts and allowances for doubtful accounts;
- future adjustments to revenue for overcharge claims filed by customers, which are based on historical cash paid to customers for rate overcharges as a percentage of total billing; and
- incentive-based refunds to customers, which are primarily based on customers achieving certain volume thresholds and are recorded as a reduction to revenue on the basis of management's best estimate of the projected liability. This estimate is based on historical activity, current volume levels and a forecast of future volume.

The Respondent regularly updates the estimates described above based on historical experience. All other revenue, such as demurrage, switching and other incidental charges is recorded upon completion of the service.

Other Income - net

Other Income – net consists of interest income, income from real estate, noncontrolling interest income (expense) and other miscellaneous income (expense). Real estate sales were \$19 million and \$26 million in 2009 and 2008, respectively.

Comprehensive Earnings

The Respondent reports comprehensive earnings (loss) in accordance with the *Comprehensive Income Topic* in the ASC, in the Schedule 220. Comprehensive earnings is defined as all changes in the shareholder's equity during a period, other than those resulting from investments by and distributions to the shareholder (e.g., issuance of equity securities and dividends). At December 2009 and 2008, Accumulated Other Comprehensive Loss consisted of adjustments for pension and other post-retirement liabilities.

New Accounting Pronouncements and Changes in Accounting Policy

In 2009, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standard ("SFAS") No. 168, *The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles, a replacement of FASB Statement No. 162*. This statement modifies the Generally Accepted Accounting Principles ("GAAP") hierarchy by establishing only two levels of GAAP, authoritative and nonauthoritative accounting literature. The FASB Accounting Standards Codification ("ASC"), also known collectively as the "Codification," is considered the single source of authoritative U.S. accounting and reporting standards, except for additional authoritative rules and interpretive releases issued by the Securities and Exchange Commission ("SEC"). Nonauthoritative guidance and literature would include, among other things, FASB Concepts Statements, American Institute of Certified Public Accountants Issue Papers and Technical Practice Aids and accounting textbooks. The Codification was developed to organize GAAP pronouncements by topic so that users can more easily access authoritative accounting guidance. It is organized by topic, subtopic, section, and paragraph, each of which is identified by a numerical designation. This statement was effective in third quarter 2009. All accounting references have been updated, and therefore SFAS references have been replaced with each respective ASC topic.

In 2009, the *Financial Instruments Topic* in the ASC requires disclosures about fair value of financial instruments in quarterly reports as well as in annual reports. For the Respondent, this statement applies to certain investments and long-term debt. Additionally, the fair value of pension plan assets is required to be disclosed annually. This standard built upon guidance related to fair value disclosures issued during 2007. These statements define fair value, provide guidance on fair value measurement and give companies the option to either report financial instruments and certain other items at fair value or disclose the fair value versus the carrying value in the footnotes for these items. The Respondent was not materially impacted by these statements.

NOTE 1. Nature of Operations and Significant Accounting Policies, Continued

In 2009, the *Consolidation Topic* in the ASC revised the accounting treatment for noncontrolling interests of partially-owned subsidiaries. Noncontrolling interests represent the portion of earnings that is not within the parent company's control. These amounts are now required to be reported as equity instead of as a liability on the balance sheet. This change resulted in a \$20 million reclassification from other long-term liabilities to shareholders' equity on the December 2008 Consolidated balance sheet and is primarily related to the Respondent's investments in Four Rivers Transportation Inc. and The Indiana Rail Road Company. Additionally, this statement requires net income from noncontrolling interests to be shown separately on the consolidated income statements. These amounts are not material for the Respondent and therefore are not shown separately.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires that management make estimates in reporting the amounts of certain assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of certain revenues and expenses during the reporting period. Actual results may differ from those estimates. Critical accounting estimates using management judgment are made for the following areas:

- casualty, environmental and legal reserves (see Note 2, Casualty, Environmental and Other Reserves);
- pension and post-retirement medical plan accounting (see Note 4, Employee Benefit Plans);
- depreciation policies for assets under the group-life method (see "Properties" in this note); and
- income taxes.

NOTE 2. Casualty, Environmental and Other Reserves

Activity related to casualty, environmental and other reserves is as follows:

<i>(Dollars in Millions)</i>	Casualty Reserves	Separation Liabilities	Environmental Reserves	Other Reserves	Total
Balance December 28, 2007	\$ 524	\$ 99	\$ 98	\$ 45	\$ 766
Charged to Expense	89	-	39	44	172
Change in Estimate	-	-	-	-	-
Payments	(85)	(16)	(38)	(41)	(180)
Balance December 26, 2008	\$ 528	\$ 83	\$ 99	\$ 48	\$ 758
Charged to Expense	(66)	-	26	21	(19)
Change in Estimate ^(a)	(127)	-	-	-	(127)
Payments	77	(14)	(29)	(29)	5
Balance December 25, 2009	\$ 412	\$ 69	\$ 96	\$ 40	\$ 617

(a) Personal injury accounted for \$84 million of the total \$127 million change in estimate. The remaining \$43 million is attributable to occupational reserves.

Casualty, environmental and other reserves were determined to be critical accounting estimates due to the need for significant management judgments. They are provided for in the Consolidated Balance Sheets as follows:

<i>(Dollars in Millions)</i>	December 25, 2009			December 26, 2008		
	Current	Long-term	Total	Current	Long-term	Total
Casualty	\$ 102	\$ 310	\$ 412	\$ 123	\$ 405	\$ 528
Separation	15	54	69	15	68	83
Environmental	36	60	96	42	57	99
Other	15	25	40	31	17	48
Total	\$ 168	\$ 449	\$ 617	\$ 211	\$ 547	\$ 758

Details with respect to each type of reserve are described below. Actual settlements and claims received could differ. The final outcome of these matters cannot be predicted with certainty. Considering the legal defenses available, the liabilities that have been recorded and other factors, it is the opinion of management that none of these items, when finally resolved, will have a material effect on the Company's financial condition, results of operations or liquidity. Should a number

NOTE 2. Casualty, Environmental and Other Reserves, Continued

of these items occur in the same period, however, they could have a material effect on the financial condition, results of operations or liquidity in that particular period.

Casualty

Casualty reserves represent accruals for personal injury and occupational injury claims. These claims are insured by an affiliate of the Respondent, CSX Insurance, and a receivable of \$49 million and \$68 million in 2009 and 2008, respectively, has been recorded in Due to Affiliate in the Consolidated Balance Sheets. Currently, no individual claim is expected to exceed the Respondent's self-insured retention amount of \$25 million. To the extent the value of an individual claim exceeds the self-insured retention amount, the Respondent would present the liability on a gross basis with a corresponding receivable for insurance recoveries. Personal injury and occupational claims are presented on a gross basis and in accordance with the *Contingencies Topic* in the ASC. These reserves fluctuate with independent third-party estimates, which are reviewed by management, and the timing of payments.

Defense and processing costs, which historically have been insignificant and are anticipated to be insignificant in the future, are not included in the recorded liabilities. The Respondent is presently self-insured for personal injury and occupational-related claims.

Personal Injury

Personal injury reserves represent liabilities for employee work-related and third-party injuries. Work-related injuries for the Respondent's employees are primarily subject to the Federal Employers' Liability Act ("FELA").

The Respondent retains an independent actuarial firm to assist management in assessing the value of personal injury claims and cases. An analysis is performed by the independent actuarial firm semiannually and is reviewed by management. The methodology used by the actuary includes a development factor to reflect growth or reduction in the value of these personal injury claims. It is based largely on the Respondent's historical claims and settlement experience. Actual results may vary from estimates due to the type and severity of the injury, costs of medical treatments and uncertainties in litigation.

Claims have shown a continued downward trend in the number of injuries, resulting in a continued reduction of the Company's Federal Railroad Administration ("FRA") personal injury rate. This reduction is a direct result of the Company's improvement in safety. Additionally, the trend in the severity of injuries has significantly declined. During 2009, the Company reduced personal injury reserves by \$84 million based on management's review of the actuarial analysis performed by an independent actuarial firm. These reductions were included in materials, supplies and other in the consolidated income statements.

Occupational

Occupational claims arise from allegations of exposures to certain materials in the workplace, such as asbestos, solvents (which include soaps and chemicals) and diesel fuels or allegations of chronic physical injuries resulting from work conditions, such as repetitive stress injuries, carpal tunnel syndrome and hearing loss.

Reserves for asbestos related claims were \$93 million and \$121 million at December 2009 and December 2008, respectively. Reserves for all other occupational claims were \$63 million and \$80 million at December 2009 and December 2008, respectively.

Asbestos

The Respondent is party to a number of occupational claims by employees alleging exposure to asbestos in the workplace. The heaviest possible exposure for employees resulted from work conducted in and around steam locomotive engines that were largely phased out beginning around the 1950s. Other types of exposures, however, including exposure from locomotive component parts and building materials, continued until it was substantially eliminated by 1985. Diseases associated with asbestos typically have long latency periods (amount of time between exposure to a disease and the onset of the disease) which can range from 10 years to 40 years after exposure.

The Respondent retains a third-party specialist with extensive experience in performing asbestos and other occupational studies to assist management in assessing the value of the Company's reserves. The analysis is performed by the specialist semi-annually and is reviewed by management. The objective of the analysis is to determine the number of estimated incurred but not reported ("IBNR") claims and the estimated average cost per claim to be received over the next seven years. Seven years was determined by management to be the time period in which probable claim filings and claim values could be estimated with more certainty.

The Respondent, with the assistance of the third-party specialist, determines its potentially exposed population and is then able to calculate the estimated number of IBNR claims. The estimated average cost per claim is then determined utilizing recent actual average cost per claim data and national industry data. Key elements of the assessment include the following:

NOTE 2. Casualty, Environmental and Other Reserves, Continued

- An estimate is computed using a ratio of Respondent employee data to national employment for select years during the period 1938-2001. The Respondent uses railroad industry historical census data because it does not have detailed employment records in order to compute the population of potentially exposed employees.
- The projected incidence of disease is estimated based on epidemiological studies using employees' age and the duration and intensity of potential exposure while employed. Epidemiology is the medical science that deals with the incidence, distribution and control of diseases in a population.
- An estimate of the future anticipated claims filing rate by type of disease (non-malignant, cancer and mesothelioma) is computed using the Respondent's average historical claim filing rates for a three-year calibration period.
- An estimate of the future anticipated dismissal rate by type of claim is computed using the Respondent's historical average dismissal rates observed during a period that management feels is representative of future dismissal rates. This period may differ from the current calibration period and is dependent upon disease type and other determining factors.
- An estimate of the future anticipated settlement by type of disease is computed using the Company's historical average dollars paid per claim using the average settlement by type of incident observed during a period that management feels is representative of future settlement amounts. This period may differ from the current calibration period and is dependent upon disease type and other determining factors.

From these assumptions, the Respondent projects the incidence of each type of disease to the estimated population to determine the total estimated number of employees that could potentially assert a claim. Historical claim filing rates were applied for each type of disease to the total number of employees that could potentially assert a claim to determine the total number of anticipated claim filings by disease type. Historical dismissal rates, which represented claims that were closed without payment, were deducted to calculate the number of future claims by disease type that would likely require payment by the Respondent. Finally, the number of such claims was multiplied by the average settlement value to estimate the Respondent's future liability for IBNR asbestos claims.

The estimated future filing rates and estimated average claim values were the most sensitive assumptions for this reserve. A 1% increase or decrease in either the forecasted number of IBNR claims or the average claim values would result in less than a \$1 million increase or decrease in the liability recorded for unasserted asbestos claims.

Undiscounted liabilities recorded related to asbestos claims were as follows:

	December 25, 2009	December 26, 2008
<i>(Dollars in Millions)</i>		
Asbestos:		
Incurred but not reported claims	\$ 42	\$ 52
Asserted claims	51	69
Total liability	<u>\$ 93</u>	<u>\$ 121</u>
 Current liability	 <u>\$ 10</u>	 <u>\$ 10</u>

Other Occupational

For all other occupational claims such as solvents (which include soaps and chemicals) and diesel fuels or allegations of chronic physical injuries resulting from work conditions, such as repetitive stress injuries, carpal tunnel syndrome and hearing loss, the Company retains a third-party specialist with extensive experience in performing other occupational studies to assist management in assessing the value of the Company's reserves. The analysis is performed by the specialist semi-annually and is reviewed by management. The objective of the analysis is to determine the number of IBNR claims and the estimated average cost per claim to be paid in future periods. With the exception of carpal tunnel, management has determined that seven years is the most probable period in which claim filing and claim values could be estimated with more certainty. Carpal tunnel claims use a three-year period to estimate the reserve due to the shorter latency period for these types of injuries. Similar to the asbestos liability estimation process, the key elements of the assessment include the following:

- An estimate of the potentially exposed population for other occupational diseases is calculated by projecting active versus retired workforce from 2009 to 2016 based upon information obtained from the Railroad Retirement Board in its 2009 report.
- An estimate of the future anticipated claims filing rate by type of injury, employee type, and active versus retired employee is computed using the Company's average historical claim filing rates for the calibration periods management felt were representative of future filing rates. For carpal tunnel and repetitive stress injuries, the current calibration period is a two-year average of claim filings. All other diseases or injuries

NOTE 2. Casualty, Environmental and Other Reserves, Continued

use a three-year calibration period. An estimate is made to forecast future claims by using the filing rates by disease and the active and retired employee population each year.

- An estimate of the future anticipated dismissal rate by type of claim is computed using the Company's historical average dismissal rates during a period that management feels is representative of future dismissal rates. This period may differ from the current calibration period and is dependent upon injury type and other determining factors.
- An estimate of the future anticipated settlement by type of injury is computed using the Company's historical average of dollars paid per claim for type of injury observed during a period that management feels is representative of future settlement amounts. This period may differ from the current calibration period and is dependent upon injury type and other determining factors.

From these assumptions, the Company projects the incidence of each type of disease to the estimated population to determine the total estimated number of employees that could potentially assert a claim. Historical claim filing rates are applied for each type of disease to the total number of employees that could potentially assert a claim to determine the total number of anticipated claim filings by disease type. Historical dismissal rates, which represent claims that were closed without payment, are used to calculate the number of future claims by disease type that should be deducted from the total number of anticipated claims. Finally, the number of such claims was multiplied by the average settlement value to estimate the Company's future liability for IBNR asbestos claims.

The estimated future filing rates and estimated average claim values were the most sensitive assumptions for this reserve. A 1% increase or decrease in either the forecasted number of IBNR claims or the average claim values would result in less than a \$1 million increase or decrease in the liability recorded for unasserted other occupational claims.

Undiscounted recorded liabilities related to other occupational claims were as follows:

<i>(Dollars in Millions)</i>	December 25, 2009	December 26, 2008
Other Occupational:		
Incurred But Not Reported Claims	\$ 29	\$ 46
Asserted Claims	34	34
Total Liability	<u>\$ 63</u>	<u>\$ 80</u>
Current Liability	<u>\$ 17</u>	<u>\$ 21</u>

Summary

A summary of asbestos and other occupational claims activity is as follows:

	Fiscal Years	
	2009	2008
Asserted Claims		
Open Claims - Beginning of Year	4,739	5,152
New Claims Filed	252	346
Claims Settled	(171)	(389)
Claims Dismissed	<u>(1,155)</u>	<u>(370)</u>
Open Claims - End of Year	<u>3,665</u>	<u>4,739</u>

Separation

Separation liabilities provide for the estimated benefits provided to certain union employees as a result of implementing workforce reductions, improvements in productivity and certain other cost reductions at the Company's major transportation units since 1991. These liabilities are expected to be paid out over the next 10 to 15 years from general corporate funds and may fluctuate depending on the timing of payments and associated taxes.

Environmental

The Respondent is a party to various proceedings related to environmental issues, including administrative and judicial proceedings, involving private parties and regulatory agencies. The Respondent has been identified as a potentially responsible party at approximately 257 environmentally impaired sites. Many of these are, or may be, subject to remedial

NOTE 2. Casualty, Environmental and Other Reserves, Continued

action under the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, or CERCLA, also known as the Superfund Law, or similar state statutes. Most of these proceedings arose from environmental conditions on properties used for ongoing or discontinued railroad operations. A number of these proceedings, however, are based on allegations that the Respondent, or its predecessors, sent hazardous substances to facilities owned or operated by others for treatment or disposal. In addition, some of the Respondent's land holdings were leased to others for commercial or industrial uses that may have resulted in releases of hazardous substances or other regulated materials onto the property and could give rise to proceedings against the Respondent.

In any such proceedings, the Respondent is subject to environmental clean-up and enforcement actions under the Superfund Law, as well as similar state laws that may impose joint and several liability for clean-up and enforcement costs on current and former owners and operators of a site without regard to fault or the legality of the original conduct. These costs could be substantial.

In accordance with the *Asset Retirement and Environmental Obligations Topic* in the ASC, the Respondent reviews its role with respect to each site identified at least quarterly, giving consideration to a number of factors such as:

- type of clean-up required;
- nature of the Company's alleged connection to the location (e.g., generator of waste sent to the site or owner or operator of the site);
- extent of the Company's alleged connection (e.g., volume of waste sent to the location and other relevant factors); and
- number, connection and financial viability of other named and unnamed potentially responsible parties at the location.

Based on the review process, the Respondent has recorded amounts to cover anticipated contingent future environmental remediation costs with respect to each site to the extent such costs are estimable and probable. The recorded liabilities for estimated future environmental costs are undiscounted. The liability includes future costs for remediation and restoration of sites as well as any significant ongoing monitoring costs, but excludes any anticipated insurance recoveries. Payments related to these liabilities are expected to be made over the next several years. Environmental remediation costs are included in materials, supplies and other on the consolidated income statement.

Currently, the Respondent does not possess sufficient information to reasonably estimate the amounts of additional liabilities, if any, on some sites until completion of future environmental studies. In addition, conditions that are currently unknown could, at any given location, result in exposure, the amount and materiality of which cannot presently be reliably estimated. Based upon information currently available, however, the Respondent believes its environmental reserves are adequate to fund remedial actions to comply with present laws and regulations, and that the ultimate liability for these matters, if any, will not materially affect its overall financial condition, results of operations or liquidity.

Other

Other reserves of \$40 million and \$48 million for 2009 and 2008, respectively, include liabilities for various claims, such as freight claims and claims for property and automobile liability. These liabilities are accrued at the estimable and probable amount in accordance with the *Contingencies Topic* in the ASC.

Freight claims represent claims for both freight loss and damage and freight rate disputes. Freight loss and damage claims are liabilities that resulted from the loss or damage of customer freight while being handled by the Respondent's transportation services. Freight rate disputes represent liabilities for customer claims regarding the rate charged by the Respondent for its transportation services. Liabilities for freight rate disputes are recorded as a reduction of revenue.

The Respondent accrues for claims related to property and automobile liability as noted above. The Respondent is also required to maintain primary and state mandated coverage for Respondent property and vehicle fleets.

Lease Commitments

The Respondent has various lease agreements with other parties with terms up to 30 years. Non-cancelable, long-term leases generally include provisions for maintenance, options to purchase and options to extend the terms.

At December 2009, minimum building and equipment rentals under these operating leases were as follows:

NOTE 3. Commitments and Contingencies*(Dollars in millions)*

Years	Operating Leases	Sublease Income	Net Lease Commitments
2010	\$ 64	\$ 7	\$ 57
2011	53	7	46
2012	48	6	42
2013	39	2	37
2014	24	1	23
Thereafter	142	-	142
Total	\$ 370	\$ 23	\$ 347

In addition to the commitments in the table, the Respondent also has agreements covering equipment leased from Conrail Inc. ("Conrail"). For additional information, see Note 6, Related Party Transactions.

<i>(Dollars in Millions)</i>	Fiscal Years	
	2009	2008
Rent Expense on Operating Leases	\$ 277	\$ 304

Purchase Commitments

The Respondent has a commitment under a long-term maintenance program that currently covers 47% of the Respondent's fleet of locomotives. The agreement is based on the maintenance cycle for each locomotive. Under the Respondent's current obligations, the agreement will expire no earlier than 2028 and may last until 2031 depending upon when certain locomotives are placed in service. The costs expected to be incurred throughout the duration of the agreement fluctuate as locomotives are placed into, or removed from, service or as required maintenance schedules are revised. The decrease in costs shown below is a direct result of retiring and storing locomotives in 2009.

The following table summarizes the number of locomotives covered and the Respondent's payments under the long-term maintenance program:

<i>(Dollars in Millions)</i>	Fiscal Years		
	2009	2008	2007
Amounts Paid	\$ 237	\$ 253	\$ 217
Number of Locomotives	1,891	1,958	1,843

As a result of agreements executed in 2005 and 2006, the Respondent has remaining purchase obligations to acquire 50 additional locomotives by year-end 2011. The amount of the ultimate purchase commitment depends upon the model of locomotive acquired and the timing of delivery.

Annual payments related to the locomotive purchase obligations, including amounts that would be payable under the long-term maintenance program, are estimated in the table below.

<i>(Dollars in Millions)</i>	Payments
2010	231
2011	347
2012	252
2013	260
2014	269
Thereafter	3,851
Total	\$ 5,210

NOTE 3. Commitments and Contingencies, Continued

Additionally, the Respondent has various other commitments to purchase railcar maintenance and other services from various suppliers.

Total annual payments under all of these additional purchase commitments are estimated as follows:

	<u>Payments</u>
<i>(Dollars in Millions)</i>	
2010	\$ 113
2011	54
2012	42
2013	11
2014	3
Thereafter	<u>3</u>
Total	<u>\$ 226</u>

Insurance

The Respondent maintains numerous insurance programs with substantial limits for third-party casualty liability and property damage and business interruption. A certain amount of risk is retained by the Respondent on each of the casualty and property programs. For the first event in any given year, the Respondent has a \$25 million deductible for each of the casualty and non-catastrophic property programs and a \$50 million deductible for the catastrophic property program.

Collective Bargaining Agreements

Most of the Respondent's employees are represented by labor unions and are covered by collective bargaining agreements. Generally speaking, these agreements are bargained nationally by the National Carriers Committee. In the rail industry, negotiations have generally taken place over a number of years and previously have not resulted in any extended work stoppages. Over the last 30 years, there were only six days of work stoppage related to labor disputes over national handling. If the Company is unable to negotiate acceptable agreements, it could result in strikes by the affected workers, loss of business and increased operating costs as a result of higher wages or benefits paid to union members. Under the Railway Labor Act's procedures (which include mediation, cooling-off periods and the possibility of Presidential intervention), neither party may take action until the procedures are exhausted.

Fuel Surcharge Antitrust Litigation

Since 2007, 31 putative class action suits have been filed in various federal district courts against the Respondent and three other U.S.-based Class I railroads. The lawsuits contain substantially similar allegations to the effect that the defendants' fuel surcharge practices relating to contract and unregulated traffic resulted from an illegal conspiracy in violation of antitrust laws. The suits seek unquantified treble damages (three times the amount of actual damages) allegedly sustained by purported class members, attorneys' fees and other relief. All but three of the lawsuits purport to be filed on behalf of a class of shippers that allegedly purchased rail freight transportation services from the defendants through the use of contracts or through other means exempt from rate regulation during defined periods commencing as early as June 2003 and that were assessed fuel surcharges. Three of the lawsuits purport to be on behalf of indirect purchasers of rail services. The court denied the defendants' motion to dismiss the direct purchasers' claims; however, the court dismissed all of the indirect purchasers' causes of action seeking money damages, but did not dismiss their request for injunctive relief. The indirect purchasers have appealed that decision, and oral arguments were heard and the Respondent is awaiting a decision.

The class action suits have been consolidated in federal court in the District of Columbia. The court denied the railroads' request to first proceed with discovery relating to the appropriateness of class certification, and then permit merits discovery only if a class is certified. The court, however, agreed with the railroads that class certification should be decided as early as possible, rejecting plaintiffs' proposal that certification be determined after the close of discovery and close to trial.

The case is now in the discovery phase. Plaintiffs are scheduled to file their Motion for Class Certification in March 2010. Defendants' opposition is due in June. The hearing on class certification is scheduled for September. All fact discovery must be completed by mid-November 2010.

One additional lawsuit was filed, but not served, by an individual shipper. The Respondent entered into a tolling agreement with this shipper whereby the shipper agreed to dismiss the lawsuit against the Respondent without prejudice and the Respondent agreed to extend the statute of limitations for the claims asserted until the end of 2010.

The Respondent believes that its fuel surcharge practices are lawful. Accordingly, the Respondent intends to vigorously defend itself against the purported class actions, which it believes are without merit. The Respondent cannot predict the outcome of the private lawsuits at this time, or of any government investigations, charges or additional litigation that may be filed in the future. Penalties for violating antitrust laws can be severe, involving both potential criminal and civil

NOTE 3. Commitments and Contingencies, Continued

liability. The Respondent is unable to assess at this time the possible financial impact of this litigation. The Respondent has not accrued any liability for an adverse outcome in the litigation. If a material adverse outcome were to occur and be sustained, it could have a material adverse impact on the Company's financial condition, results of operations or liquidity.

STB Rate Case

During 2008, Seminole Electric Cooperative, Inc. ("Seminole") filed a complaint before the STB against the Respondent. The Respondent and Seminole were parties to a railroad transportation contract that expired on December 31, 2008. Seminole contests tariff rates that went into effect on January 1, 2009 for movements of coal to its power generating facility in Putnam County, Florida. Seminole requests that the STB impose rates covering a ten-year period, retroactive to January 1, 2009 for such movements. As set forth in its January 19, 2010 STB filing, the Respondent believes that its tariff rates are reasonable. The Respondent will continue to consider and pursue all available legal defenses in this matter. A decision in the case is expected in early 2011.

Other Legal Proceedings

In addition to the matters described above, the Respondent is involved in litigation incidental to its business and is a party to a number of legal actions and claims, various governmental proceedings and private civil lawsuits, including, but not limited to, those related to environmental matters, FELA claims by employees, other personal injury claims and disputes and complaints involving certain transportation rates and charges. Some of the legal proceedings include claims for compensatory as well as punitive damages and others are, or are purported to be, class actions. While the final outcome of these matters cannot be predicted with certainty, considering, among other things, the legal defenses available and liabilities that have been recorded along with applicable insurance, it is currently the opinion of the Respondent's management that none of these items will have a material adverse effect on the Respondent's financial condition, results of operations or liquidity. An unexpected adverse resolution of one or more of these items, however, could have a material adverse effect on the Respondent's financial condition, results of operations or liquidity in a particular quarter or fiscal year.

NOTE 4. Employee Benefit Plans

The Respondent, in conjunction with CSX, sponsors defined benefit pension plans principally for salaried, management personnel. The plans provide eligible employees with retirement benefits based predominately on years of service and compensation rates near retirement. Under the CSX pension plan, for employees hired after December 31, 2002, benefits are determined based on cash balance formula, which provides benefits by utilizing interest and pay credits based upon age, service and compensation. CSX allocates to the Respondent a portion of the pension expense or benefit for the CSX pension plans based on the Respondent's relative level of participation. In addition, the Respondent sponsors one pension plan for retired United Transportation Union employees. The expenses for this plan along with the allocated expenses from the various CSX pension plans amounted to \$15 million in both 2009 and 2008, respectively.

In addition to these plans, the Respondent participates with CSX to sponsor a postretirement medical plan and a life insurance plan that provide benefits to full-time, salaried, management employees hired on or before December 31, 2002, upon their retirement if certain eligibility requirements are met. The postretirement medical plan is contributory (partially funded by retirees), with retiree contributions adjusted annually. The life insurance plan is non-contributory. CSX allocates to the Respondent a portion of the expense for these plans based on the Respondent's relative level of participation. The allocated expense amounted to \$37 million and \$26 million in 2009 and 2008, respectively.

Effective fiscal year 2008, under the provisions of *Compensation—Retirement Benefits Topic*, ASC 715, CSX was required to change the measurement date for pension and postretirement benefit plans from September 30 to the last day of the Respondent's fiscal year.

The Respondent engages independent, external actuaries to compute the amounts of liabilities and expenses relating to these plans subject to the assumptions that the Respondent selects.

The benefit obligation for these plans represents the liability of the Respondent for current and retired employees and is affected primarily by the following:

- service cost (benefits attributed to employee service during the period);
- interest cost (interest on the liability due to the passage of time);
- actuarial gains/losses (experience during the year different from that assumed and changes in plan assumptions); and
- benefits paid to participants.

Pension and Other Postretirement Benefit Plans, Continued**Other Plans**

Under collective bargaining agreements, the Respondent participates in a multi-employer benefit plan, which provides certain postretirement health care and life insurance benefits to eligible contract employees. Premiums under this plan are expensed as incurred and amounted to \$35 million and \$36 million in 2009 and 2008, respectively.

The Respondent maintains savings plans for virtually all full-time salaried employees and certain employees covered by collective bargaining agreements. Expense associated with these plans was \$21 million and \$24 million for 2009 and 2008, respectively.

Certain officers and key employees of the Respondent participate in stock purchase, performance and award plans of CSX. The Respondent is allocated its share of any cost to participate in these plans. Those amounts were \$7 million and \$16 million for 2009 and 2008, respectively.

NOTE 5. Debt Agreements

Debt was as follows:

(Dollars in Millions)	Maturity	Average Interest Rates at		December 25, 2008
		December 25, 2009	December 25, 2009	
Equipment Obligations	2010-2043	7.0%	\$ 911	\$ 1,002
Notes	2009-2015	6.7%	509	526
Capital Leases	2010-2015	6.4%	24	34
Total Long-term Debt (including current portion)			1,444	1,562
Less Debt Due within One Year			(110)	(116)
Total Long-term Debt (excluding current portion)			\$ 1,334	\$ 1,446

Debt Issuance

In 2008, the Respondent issued \$351 million of 8.375% Secured Equipment Notes, due to mature in 2014, in a registered public offering pursuant to CSX's existing automatic shelf registration statement. The Respondent will fully and unconditionally guarantee the notes. The notes are also secured by a security interest in certain railroad equipment. These notes were included in the Schedule 200 under Equipment Obligations and may be redeemed by the Respondent at any time.

Long-term Debt Maturities

(Dollars in Millions)

<u>Fiscal Years Ending</u>	<u>Maturities as of December 2009</u>
2010	\$ 110
2011	95
2012	105
2013	79
2014	326
2015 and Thereafter	729
Total Long-term Debt Maturities (including current portion)	\$ 1,444

Certain of the Respondent's properties are pledged as security for various long-term debt issues.

Fair Value of Financial Instruments

Long-term debt is the only financial instrument of the Respondent with fair values significantly different from their carrying amounts. Long-term debt is reported at carrying amount on the consolidated balance sheet. The fair value has been estimated using discounted cash flow analysis based upon the yields provided by an independent third party. Level 2 inputs were used to determine the fair value of the Company's long-term debt.

The fair value of outstanding debt fluctuates with changes in a number of factors. Such factors include, but are not limited to, interest rates, market conditions, values of similar financial instruments, size of the transaction, cash flow projections, and comparable trades. Fair value will exceed carrying value when the current market interest rate is lower than

NOTE 5. Debt Agreements, Continued

the interest rate at which the debt was originally issued. The fair value of a company's debt is a measure of its current value under present market conditions. It does not impact the financial statements under current accounting rules. The fair value and carrying value of the Respondent's long-term debt is as follows:

<i>(Dollars in Billions)</i>	<u>2009</u>	
Long Term Debt Including Current Maturities:		
Fair Value	\$	1.6
Carrying Value	\$	1.4

NOTE 6. Related Party Transactions

The Respondent had \$318 million and \$300 million deficit balances for 2009 and 2008, respectively, relating to the Respondent's participation in the CSX cash management plan. The amounts are included in Payables to Affiliated Companies in the Schedule 200. Under this plan, excess cash is advanced to CSX for investment and CSX makes cash funds available to its subsidiaries as needed for use in their operations. The Respondent and CSX are committed to repay all amounts due each other on demand should circumstances require. The companies are charged for borrowings or compensated for investments based on the short-term applicable Federal rate, which was 0.69% and 1.36% as of the end of 2009 and 2008, respectively. Net interest expense related to this plan was \$3 million and \$17 million in 2009 and 2008, respectively.

Detail of Related Party Service Fees

<i>(Dollars in Millions)</i>	<u>2009</u>	<u>2008</u>
Intermodal	\$ (396)	\$ (507)
CSX Management Service Fee	386	338
CSX Technology	149	187
TDSI	37	57
CSX Insurance	52	55
Other	(20)	(28)
Total Related Party Service Fees	<u>\$ 208</u>	<u>\$ 102</u>

Related Party Service Fees consists of amounts related to:

- CSX Intermodal Inc. ("Intermodal") Reimbursements – Reimbursement from Intermodal under an operating agreement for costs incurred by the Respondent related to intermodal operations. This reimbursement is based on an amount that approximates actual costs. The Respondent also collects certain revenue on behalf of Intermodal under the operating agreement.
- CSX Management Service Fee – A management service fee charged by CSX as compensation for certain corporate services provided to the Respondent. These services include, but are not limited to, the areas of human resources, finance, administration, benefits, legal, tax, internal audit, corporate communications, risk management and strategic management services. The fee is calculated as a percentage of the Respondent's revenue.
- CSX Technology Inc. ("CSX Technology") Charges – Data processing charges from CSX Technology for the development, implementation and maintenance of computer systems, software and associated documentation for the day-to-day operations of the Respondent. These charges are based on a mark-up of direct costs.
- Total Distribution Services Inc. ("TDSI") Charges – Charges from TDSI for services provided to the Respondent at automobile ramps. These charges are calculated based on direct costs.
- CSX Insurance Company ("CSX Insurance") – Charges from CSX Insurance for insurance premiums related to personal injury coverage.
- Other consists of fee income for Specialized Services billed to CSX Real Property and service fees paid to CSX de Mexico and CSX Trade Receivables.

Intermodal, CSX Technology, TDSI, CSX Insurance, CSX Real Property, CSX de Mexico and CSX Trade Receivables are wholly owned subsidiaries of CSX.

NOTE 6. Related Party Transactions, Continued***Detail of Payables (Receivables) to Affiliated Companies***

<i>(Dollars in Millions)</i>	<u>2009</u>	<u>2008</u>
CSX Corporation	\$ 318	\$ 343
CSX Business Management	(36)	-
CSX Trade Receivables	(369)	-
CSX Technology	232	309
Intermodal	29	29
CSX Insurance	5	(14)
TRANSFLO	6	6
TDSI	4	4
Other	1	-
Total Due to Affiliate	<u>\$ 190</u>	<u>\$ 677</u>

The Respondent and CSX Insurance have entered into a loan agreement whereby the Respondent may borrow up to \$125 million from CSX Insurance. The loan is payable in full on demand. \$55 million was outstanding under the agreement for both 2009 and 2008. Interest on the loan is payable monthly at 0.45% over the LIBOR rate, which was 0.68% and 2.35% at the end of 2009 and 2008, respectively. Interest expense related to the loan was \$438 thousand and \$2 million for 2009 and 2008, respectively.

In 2009, the Respondent entered into an agreement to transfer eligible third-party receivables to CSX Trade Receivables, a bankruptcy-remote special purpose subsidiary of CSX Corporation. A separate subsidiary of CSX Corporation, CSX Business Management, will service the receivables. Upon transfer, the receivables become assets of CSX Trade Receivables and are shown above as due from CSX Trade Receivables.

The Respondent has identified below amounts owed to Conrail, Inc. ("Conrail"), an equity investee of CSX, representing liabilities under the operating, equipment and shared area agreements with Conrail. Also, the Respondent executed a promissory note with a subsidiary of Conrail, which was included in long-term debt on the Schedule 200.

<i>(Dollars in Millions)</i>	<u>December 26, 2009</u>	<u>December 28, 2008</u>
Balance Sheet Information:		
CSXT Payable to Conrail ^(a)	\$ 65	\$ 62
Promissory Note Payable to Conrail Subsidiary		
4.52% CSXT Promissory Note due March 2035 ^(b)	\$ 23	\$ 23

(a) Included on the Schedule 200 as accounts payable

(b) Included on the Schedule 200 as long-term debt

<i>(Dollars in Millions)</i>	<u>Fiscal Years</u>	
	<u>2009</u>	<u>2008</u>
Income Statement Information:		
Interest Expense Related to Conrail Notes Payable	\$ 1	\$ 1

(This page intentionally left blank)

210. RESULTS OF OPERATIONS
(Dollars in Thousands)

- | | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|--------------|------------------------------------------|
| 1. Disclose requested information for respondent pertaining to results of operations for the year. | Schedule 210
Line 15, col b | Cross-Checks | Schedule 210
= Line 62, col (b) |
| 2. Report total operating expenses from Sched. 410. Any differences between this schedule and Sched. 410 must be explained on page 18. | Lines 47,48,49 col b
Line 50, col b | | = Line 63, col (b)
= Line 64, col (b) |
| 3. List dividends from investments accounted for under the cost method on line 19, and list dividends accounted for under the equity method on line 25. | | | Schedule 410
= Line 620, col h |
| 4. All contra entries should be shown in parenthesis. | Line 14, col b
Line 14, col d
Line 14, col e | | = Line 620, col f
= Line 620, col g |

Line No.	Cross Check	Item	Amount for current year	Amount for preceding year	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		(a)	(b)	(c)			
		ORDINARY ITEMS OPERATING INCOME					
1		(101) Freight	7,996,581	10,041,556	7,996,581		1
2		(102) Passenger	-	-	-		2
3		(103) Passenger-related	-	-	-		3
4		(104) Switching	(100,937)	(123,259)	(100,937)		4
5		(105) Water transfers	-	-	-		5
6		(106) Demurrage	53,081	68,194	53,081		6
7		(110) Incidental	221,655	232,662	221,655		7
8		(121) Joint facility - credit	-	-	-		8
9		(122) Joint facility - debit	-	-	-		9
10		(501) Railway operating revenues (Exclusive of transfers from government authorities-lines 1-9)	8,170,380	10,219,153	8,170,380	-	10
11		(502) Railway operating revenues - transfers from government authorities	-	-			11
12		(503) Railway operating revenues - amortization of deferred transfers from government authorities	-	-			12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	8,170,380	10,219,153	8,170,380	-	13
14		(531) Railway operating expenses	6,377,576	8,033,923	6,377,576		14
15		Net revenue from railway operations	1,792,804	2,185,230	1,792,804		15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	19,371	25,634			16
17		(510) Miscellaneous rent income	34,062	35,715			17
18		(512) Separately operated properties - profit	-	-			18
19		(513) Dividend income (cost method)	6,753	5,751			19
20		(514) Interest Income	24,492	56,271			20
21		(516) Income from sinking and other funds	-	-			21
22		(517) Release of premiums on funded debt	-	-			22
23		(518) Reimbursements received under contracts and agreements	-	-			23
24		(519) Miscellaneous income	(12,560)	8,271			24
25		Income from affiliated companies: 519					
26		a. Dividends (equity method)	-	-			25
27		b. Equity in undistributed earnings (losses)	9,550	37,465			26
28		TOTAL OTHER INCOME (lines 16-26)	81,668	169,107			27
29		TOTAL INCOME (lines 15, 27)	1,874,472	2,354,337			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	(31,571)	(39,047)			29
30		(544) Miscellaneous taxes	-	-			30
31		(545) Separately operated properties-Loss	-	-			31
32		(549) Maintenance of investment organization	-	-			32
33		(550) Income transferred under contracts and agreements	-	-			33
34		(551) Miscellaneous income charges	(43,964)	(81,446)			34
35		(553) Uncollectible accounts	-	-			35
36		TOTAL MISCELLANEOUS DEDUCTIONS	(75,535)	(120,493)			36
37		Income available for fixed charges	1,798,937	2,233,844			37

210. RESULTS OF OPERATIONS - Continued (Dollars in Thousands)					
Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
		FIXED CHARGES			
38		(546) Interest on funded debt:			38
		(a) Fixed interest not in default	96,575	82,991	
39		(b) Interest in default	-	-	39
40		(547) Interest on unfunded debt	3,150	8,292	40
41		(548) Amortization of discount on funded debt	(5,583)	(5,629)	41
42		TOTAL FIXED CHARGES (lines 38 through 41)	94,142	85,654	42
43		Income after fixed charges (line 37 minus line 42)	1,704,795	2,148,190	43
		OTHER DEDUCTIONS			
44		(546) Interest on funded debt:			44
		(c) Contingent interest	-	-	
		UNUSUAL OR INFREQUENT ITEMS			
45		(555) Unusual or infrequent items (debit) credit	-	-	45
46		Income (Loss) from continuing operations (before inc. taxes)	1,704,795	2,148,190	46
		PROVISIONS FOR INCOME TAXES			
		(556) Income taxes on ordinary income:			
47		(a) Federal income taxes	246,579	305,922	47
48		(b) State income taxes	39,988	67,546	48
49		(c) Other income taxes	(2,380)	785	49
50		(557) Provision for deferred taxes	340,247	353,210	50
51		TOTAL PROVISION FOR INCOME TAXES (lines 47 through 50)	624,434	727,463	51
52		Income from continuing operations (line 46 minus line 51)	1,080,361	1,420,727	52
		DISCONTINUED OPERATIONS			
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$ 0)	-	-	53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$ 0)	-	-	54
55		Income before extraordinary items (lines 52 through 54)	1,080,361	1,420,727	55
		EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES			
56		(570) Extraordinary items (Net)	-	-	56
57		(590) Income taxes on extraordinary items	-	-	57
58		(591) Provision for deferred taxes - Extraordinary items	-	-	58
59		TOTAL EXTRAORDINARY ITEMS (lines 56 through 58)	-	-	59
60		(592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$ 0).	-	-	60
61		Net income (Loss) (lines 55 + 59 + 60)	1,080,361	1,420,727	61
		RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)			
62		Net revenues from railway operations	1,792,804	2,185,230	62
63		(556) Income taxes on ordinary income (-)	(284,187)	(374,253)	63
64		(557) Provision for deferred income taxes (-)	(340,247)	(353,210)	64
65		Income from lease of road and equipment (-)	(24,400)	(22,852)	65
66		Rent for leased roads and equipment (+)	13,999	13,893	66
67		Net railway operating income (loss)	1,157,969	1,448,808	67

Notes and Remarks for Schedules 210 and 220

220. RETAINED EARNINGS

(Dollars in Thousands)

1. Show below the items of retained earnings accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.
2. All contra entries should be shown in parentheses.
3. Show in lines 22 and 23 the amount of assigned Federal income tax consequences for accounts 606 and 616.
4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.
5. Line 3 (line 7 if a debit balance), column (c), should agree with line 26, column (b), in Schedule 210. The total of columns (b) and (c), lines 3 and 7, should agree with line 61, column (b) in Schedule 210.
6. Include in column (b) only amounts applicable to retained earnings exclusive of any amounts included in column (c).

Line No.	Cross Check	Item	Retained Earnings - Unappropriated (b)	Equity in Undistributed Earnings (Losses) of Affiliated Companies (c)	Line No.
		(a)			
1		Balances at beginning of year	6,651,389	92,944	1
2		(601.5) Prior period adjustments to beginning retained earnings	-	-	2
		CREDITS			
3		(602) Credit balance transferred from income	1,070,811	9,550	3
4		(603) Appropriations released	-	-	4
5		(606) Other credits to retained earnings	472	-	5
6		TOTAL CREDITS	1,071,283	9,550	6
		DEBITS			
7		(612) Debit balance transferred from income	-	-	7
8		(616) Other debits to retained earnings	36,710	-	8
9		(620) Appropriations for sinking and other funds	-	-	9
10		(621) Appropriations for other purposes	-	-	10
11		(623) Dividends: Common stock	475,141	-	11
12		Preferred stock (1)	-	-	12
13		TOTAL DEBITS	511,851	-	13
14		Net increase (decrease) during year (Line 6 minus line 13)	559,432	9,550	14
15		Balances at close of year (lines 1, 2, and 14)	7,210,821	102,494	15
16		Balance from line 15 (c)	102,494	N/A	16
17		(798) Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	7,313,315	N/A	17
18		(797) Total appropriated retained earnings:			18
19		Credits during year \$ 0			19
20		Debits during year \$ 0			20
21		Balance at close of year \$ 0			21
22		Amount of assigned Federal income tax consequences:			22
23		Account 606 \$ 0			23
		Account 616 \$ 0			

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

230. CAPITAL STOCK**PART I. CAPITAL STOCK**

(Dollars in Thousands)

1. Disclose in column (a) the particulars of the various issues of capital stock of the respondent, distinguishing separate issues of any general class, if different in any respect.
2. Present in column (b) the par or stated value of each issue. If none, so state.
3. Disclose in columns (c), (d), (e), and (f) the required information concerning the number of shares authorized, issued, in treasury, and outstanding for the various issues.
4. For the purposes of this report, capital stock and other securities are considered to be nominally issued when certificates are signed and sealed and placed with the proper officer for sale and delivery or are pledged or otherwise placed in some special fund of the respondent. They are considered to be actually issued when sold to a bona fide purchaser who holds them free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be actually outstanding. If reacquired by or for the respondent, and not canceled or retired, they are considered to be nominally outstanding.

Line No.	Class of Stock (a)	Par Value (b)	Number of Shares				Book Value at End of Year		Line No.
			Authorized (c)	Issued (d)	In Treasury (e)	Outstanding (f)	Outstanding (g)	In Treasury (h)	
1	Common	\$ 20.00	10,000,000	9,061,038	-	9,061,038	\$ 181,225	-	1
2									2
3									3
4	Preferred	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4
5									5
6									6
7									7
8									8
9									9
10									10

PART II. SUMMARY OF CAPITAL STOCK CHANGES DURING YEAR

(Dollars in Thousands)

1. The purpose of this part is to disclose capital stock changes during the year.
2. Column (a) presents the items to be disclosed.
3. Columns (b), (d), and (f) require disclosure of the number of shares of preferred, common, and treasury stock applicable to the items presented in column (a).
4. Columns (c), (e), and (g) require the disclosure of the book value of preferred, common, and treasury stock.
5. Disclose in column (h) the additional paid-in capital realized from changes in capital stock during the year.
6. Unusual circumstances arising from changes in capital stock shall be fully explained in footnotes to this schedule.

Line No.	Item (a)	Preferred Stock		Common Stock		Treasury Stock		Additional Capital \$ (h)	Line No.
		No. of Shares (b)	\$ Amount (c)	No. of Shares (d)	\$ Amount (e)	No. of Shares (f)	\$ Amount (g)		
11	Balance at beginning of year	-	\$ -	9,061,038	\$ 181,225			\$ 5,565,690	11
12	Capital stock sold 1								12
13	Capital stock reacquired								13
14	Capital stock cancelled								14
15	Other							3,750	15
16									16
17	Balance at close of year	-	\$ -	9,061,038	\$ 181,225	-	\$ -	\$ 5,569,440	17

NOTE: The amount in Other for Additional Capital consists of tax effects of compensation related to parent company stock

- 1 By footnote on page 17, state the purpose of the issue and authority.

240. STATEMENT OF CASH FLOWS
(Dollars in Thousands)

Give the information as requested concerning the cash flows during the year. Either the direct or indirect method can be used. The direct method shows as its principal components operating cash receipts and payments, such as cash received from customers and cash paid to suppliers and employees, the sum of which is net cash flow from operating activities. The indirect method starts with net income and adjusts it for revenues and expense items that were not the result of operating cash transactions in the current period to reconcile it to net cash flow from operating activities. If the direct method is used, complete lines 1 through 41. If the indirect method is used, complete lines 10 through 41. Cash, for the purpose of this schedule, shall include cash and cash equivalents which are short-term, highly liquid investments readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Information about all investing and finance activities which do not directly affect cash shall be separately disclosed in footnotes to this schedule. They shall clearly relate the cash (if any) and noncash aspects of transactions. Examples of noncash investing and transactions include converting debt to equity, acquiring assets by assuming directly related liabilities, such as purchasing a building by incurring a mortgage to the seller; obtaining an asset by entering into a capital lease; and exchanging noncash assets or liabilities for other noncash assets or liabilities. Some transactions are part cash and part noncash; only the cash portion shall be reported directly in the statement of cash flows. Refer to FAS Statement No. 95, Statement of Cash Flows, for further details.

CASH FLOWS FROM OPERATING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No.
1		Cash received from operating revenues	N/A	N/A	1
2		Dividends received from affiliates	N/A	N/A	2
3		Interest received	N/A	N/A	3
4		Other income	N/A	N/A	4
5		Cash paid for operating expenses	N/A	N/A	5
6		Interest paid (net of amounts capitalized)	N/A	N/A	6
7		Income taxes paid	N/A	N/A	7
8		Other - net	N/A	N/A	8
9		NET CASH PROVIDED BY OPERATING ACTIVITIES (lines 1 through 8)	N/A	N/A	9

RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
10		Income from continuing operations	1,080,361	1,420,727	10

ADJUSTMENTS TO RECONCILE INCOME FROM CONTINUING OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
11		Loss (gain) on sale or disposal of tangible property and investment	-	-	11
12		Depreciation and amortization expenses	872,622	872,149	12
13		Net increase (decrease) in provision for Deferred Income Taxes	340,247	353,210	13
14		Net decrease (increase) in undistributed earnings (losses) of affiliates	-	-	14
15		Decrease (increase) in accounts receivable	530,376	52,523	15
16		Decrease (increase) in material and supplies and other current assets	23,686	38,943	16
17		Increase (decrease) in current liabilities other than debt	229,408	(1,015,985)	17
18		Increase (decrease) in other - net	(116,468)	57,550	18
19		Net cash provided from continuing operations (lines 10 through 18)	2,960,232	1,779,117	19
20		Add (Subtract) cash generated (paid) by reason of discontinued operations and extraordinary items	-	-	20
21		NET CASH PROVIDED FROM OPERATING ACTIVITIES (lines 19 and 20)	2,960,232	1,779,117	21

CASH FLOWS FROM INVESTING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
22		Proceeds from sale of property	42,139	56,646	22
23		Capital expenditures	(1,371,434)	(1,655,703)	23
24		Net change in temporary cash investments not qualifying as cash equivalents	-	-	24
25		Proceeds from sale/repayment of investment and advances	-	-	25
26		Purchase price of long-term investment and advances	-	-	26
27		Net decrease (increase) in sinking and other special funds	-	-	27
28		Other - net	(402,630)	66,645	28
29		NET CASH USED IN INVESTING ACTIVITIES (lines 22 through 28)	(1,731,925)	(1,532,412)	29

(Continued on next page)

240. STATEMENT OF CASH FLOWS (Concluded)
(Dollars in Thousands)

CASH FLOWS FROM FINANCING ACTIVITIES					
Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
30		Proceeds from issuance of long-term debt	-	350,538	30
31		Principal payments of long-term debt	(119,515)	(120,947)	31
32		Proceeds from issuance of capital stock	-	-	32
33		Purchase price of acquiring treasury stock	-	-	33
34		Cash dividends paid	(475,000)	(325,000)	34
35		Other - net	(667,254)	(143,349)	35
36		NET CASH FROM FINANCING ACTIVITIES (lines 30 through 35)	(1,261,769)	(238,758)	36
37		NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (lines 21, 29, and 36)	(33,462)	7,947	37
38		Cash and cash equivalents at beginning of the year	63,287	55,340	38
39		CASH AND CASH EQUIVALENTS AT END OF THE YEAR (lines 37 & 38)	29,825	63,287	39
		Footnotes to Schedule			
		Cash paid during the year for:			
40		Interest (net of amount capitalized)*	124,781	74,743	40
41		Income taxes (net) *	280,154	601,572	41

* Only applies if indirect method is adopted

NOTES AND REMARKS

245. WORKING CAPITAL
(Dollars in Thousands)

1. This schedule should include only data pertaining to railway transportation services.
2. Carry out calculations of lines 9, 10, 20, and 21 to the nearest whole number.

Line No.	Item (a)	Source	Amount (b)	Line No.
CURRENT OPERATING ASSETS				
1	Interline and other balances (705)	Sched. 200, line 5, col. b	25,179	1
2	Customers (706)	Sched. 200, line 6, col. b	51,791	2
3	Other (707)	Note A	140,614	3
4	TOTAL CURRENT OPERATING ASSETS	Lines 1 + 2 + 3	217,584	4
OPERATING REVENUE				
5	Railway operating revenue	Sched. 210, line 13, col. b	8,170,380	5
6	Rent income	Note B	49,854	6
7	TOTAL OPERATING REVENUES	Lines 5 + 6	8,220,234	7
8	Average daily operating revenues	Line 7 ÷ 360 days	22,834	8
9	Days of operating revenue in current operating assets	Line 4 ÷ Line 8	10	9
10	Revenue delay days plus buffer	Line 9 + 15 days	25	10
CURRENT OPERATING LIABILITIES				
11	Interline and other balances (752)	Sched. 200, line 31, col. b	30,005	11
12	Audited accounts and wages payable (753)	Note A	72,322	12
13	Accounts payable - other (754)	Note A	153,419	13
14	Other taxes accrued (761.5)	Note A	118,251	14
15	TOTAL CURRENT OPERATING LIABILITIES	Sum of lines 11 through 14	373,997	15
OPERATING EXPENSES				
16	Railway operating expenses	Sched. 210, line 14, col. b	6,377,576	16
17	Depreciation	Sched 410, lines 136, 137, 138, 213, 232, 317, col. h	872,622	17
18	Cash related operating expenses	Line 16 + line 6 - line 17	5,554,808	18
19	Average daily expenditures	Line 18 ÷ 360 days	15,430	19
20	Days of operating expenses in current operating liabilities	Line 15 ÷ line 19	24	20
21	Days of working capital required	Line 10 - line 20 (Note C)	1	21
22	Cash working capital required	Line 21 x line 19	15,430	22
23	Cash and temporary cash balance	Sched. 200, line 1 + line 2, col. b	29,825	23
24	Cash working capital allowed	Lesser of line 22 or line 23	15,430	24
MATERIALS AND SUPPLIES				
25	Total materials and supplies (712)	Note A	206,573	25
26	Scrap and obsolete material included in account 712	Note A	3,228	26
27	Materials and supplies held for common carrier purposes	Line 25 - line 26	203,345	27
28	TOTAL WORKING CAPITAL	Line 24 + line 27	218,775	28

NOTES:

- (A) Use common carrier portion only. Common carrier refers to railway transportation service.
- (B) Rent income is the sum of Schedule 410, column h, lines 121, 122, 123, 127, 128, 129, 133, 134, 135, 208, 210, 212, 227, 229, 231, 312, 314, and 316. Rent income is added to railway operating revenues to produce total revenues. Rent income is also added to total operating expenses to exclude the rent revenue items from operating expense.
- (C) If result is negative, use zero.

NOTES AND REMARKS

Page 26 Other Parties to Joint Control:

Line 01	Delaware & Hudson Operating Co. (operating as Canadian Pacific Rail System)
Line 02	Norfolk Southern Railway Company and Central of Georgia Railroad Company
Line 03	UPRR and NS and BNSF and CP and CN
Line 04	Various Individuals
Line 05	Norfolk Southern Railway Company
Line 06	Central of Georgia Railroad Company
Line 07	Norfolk Southern Railway Company
Line 08	UPRR and NS and BNSF and CN
Line 09	UPRR and BNSF and CP and CN and KCS and NS and Various Other Carriers
Line 10	Norfolk Southern Railway Company
Line 11	Alabama Great Southern Railroad Company
Line 13	Norfolk Southern Railway Company and Florida East Coast Railway, LLC
Line 15	CSX Business Management, Inc.
Line 16	Various Companies
Line 17	Helm General Corporation
Line 18	Riverview II Associates
Line 19	Various Companies/Individuals
Line 20	Various Companies/Individuals
Line 21	UPRR and NS and BNSF
Line 22	UPRR and NS and BNSF

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 310 AND 310A

1. Schedule 310 should give particulars of stocks, bonds, and other secured obligations, unsecured notes, and investment advances of affiliated companies held by respondent at the close of the year. Also, disclose the investments made, disposed of, and written down during the year and the applicable dividends and interest credited to income as a result of those investments. They should exclude securities issued or assumed by respondent. For definition of affiliated companies, see the rules governing Account No. 721 "Investments and Advances; Affiliated Companies" in the Uniform System of Accounts for Railroad Companies.
2. List the investments in the following order and show a total for each group and each class of investments by accounts in numerical order.

(A) Stocks

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

(B) Bonds (including US government bonds)

(C) Other secured obligations

(D) Unsecured notes

(E) Investment advances

3. The subclassification of classes (B), (C), (D), and (E) should be the same as that provided for class (A).
4. The kinds of industry represented by respondent's investments in the securities of other companies should be shown by symbol opposite the names of the issuing corporations. The symbols and industrial classifications are as follows:

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

5. By carriers, as the term is used here, is meant companies owning or operating railroads, facilities auxiliary thereto such as bridges, ferries, union depots, and other terminal facilities, sleeping cars, parlor cars, dining cars, freight cars, express services and facilities, electric railways, highway motor vehicles, steamboats and other marine transportation equipment, pipe lines (other than those for transportation of water), and other instrumentalities devoted to the transportation of persons or property for hire. Telegraph and telephone companies are not meant to be included.
6. Noncarrier companies should, for the purpose of these schedules, include telephone companies, telegraph companies, mining companies, manufacturing companies, hotel companies, etc. Purely holding companies are to be classified as noncarrier companies, even though the securities held by such companies are largely or entirely issued or assumed by carriers.
7. By an active corporation is meant one which maintains an organization for operating property or administering its financial affairs. An inactive corporation is one which has been practically absorbed in a controlling corporation and which neither operates property nor administers its financial affairs. If it maintains an organization it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.
8. Combine in one amount investments in which the original cost or present equity in total assets is less than \$10,000.
9. Include investments in unincorporated entities such as lessee organizations. Exclude amounts normally settled on a current basis.
10. Do not include the value of securities issued or assumed by respondent.
11. For affiliates which do not report to the Surface Transportation Board and are jointly owned, disclose in footnotes the name and extent of control of the other controlling entities.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES

(Dollars in Thousands)

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, from accounts 715 (sinking funds), 716 (capital funds), 721 (investments and advances affiliated companies), and 717 (other funds).
2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 25, classifying the investments by means of letters, figures, and symbols in columns (a), (b) and (c).
3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered. Give names and other important particulars of such obligations in footnotes.
4. Give totals for each class and for each subclass and a grand total for each account.
5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially ____ to ____." Abbreviations in common use in standard financial publications may be used to conserve space.

Line No.	Account No. (a)	Class No. (b)	Kind of Industry (c)	Name of Issuing Company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent of Control (e)	Line No.
1	721	A-1	VII	Albany Port Railroad Corporation	50.00	1
2	721	A-1	VII	Augusta and Summerville Railroad Company	50.00	2
3	721	A-1	VII	The Belt Railway Company of Chicago	25.00	3
4	721	A-1	VII	Central Railroad Company of South Carolina	36.47	4
5	721	A-1	VII	Central Transfer Railway and Storage Company	50.00	5
6	721	A-1	VII	Chatham Terminal Company	50.00	6
7	721	A-1	VII	Norfolk and Portsmouth Belt Line Railroad Company	42.86	7
8	721	A-1	VII	Terminal Railroad Association of St. Louis	14.29	8
9	721	A-1	VII	TTX Company	19.65	9
10	721	A-1	VII	Winston-Salem Southbound Railway	50.00	10
11	721	A-1	VII	Woodstock & Blocton Railway Company	50.00	11
12				TOTAL CLASS A-1		12
13	721	A-3	X	Beaver Street Tower Company	50.00	13
14	721	A-3	X	CSX Corporation		14
15	721	A-3	X	CSX Fiber Networks, LLC	97.45	15
16	721	A-3	VII	DOCP Acquisition, LLC	10.00	16
17	721	A-3	VI	Helm Chesapeake Limited Partnership	50.00	17
18	721	A-3	VII	Richmond Center Associates II (Partnership)	50.00	18
19	721	A-3	VI	Transportation Mutual Insurance Company	31.42	19
20	721	A-3	VI	Wesjux Development Company	9.92	20
21	721	A-3	X	MeteorComm, LLC	25.00	21
22	721	A-3	X	PTC-220, LLC	25.00	22
23				TOTAL CLASS A-3		23
24				TOTAL STOCK		24
25	721	B-1	VII	Washington and Franklin Railway Company - Matured 1/1/66		25
26				TOTAL CLASS B-1		26
27						27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38						38
39						39
40						40

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - (Continued)

(Dollars in Thousands)

6. If any of the companies included in this schedule are controlled by respondent, the percent of control should be shown in column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In case of joint control, give names of other parties and particulars of control.
7. If any advances reported are pledged, give particulars in a footnote.
8. Investments in companies in which neither the original cost or present equity in total assets are less than \$10,000 may be combined in one figure.
9. Also include investments in unincorporated entities such as lessee organizations (exclusive of amounts nominally settled on a current basis).
10. This schedule should not include securities issued or assumed by respondent.

For affiliates which do not report to the Surface Transportation Board and are jointly owned, give names and extent of control by other entities by footnotes.

Line No.	Investments and advances				Disposed of profit (loss) (j)	Adjustments Account 721.5 (k)	Dividends or interest credited to income (l)	Line No.
	Opening Balance (f)	Additions (g)	Deductions (if other than sale, explain) (h)	Closing Balance (i)				
1	253			253				1
2	37			37				2
3	891			891				3
4	67			67			11	4
5	11			11				5
6	22			22				6
7	7			7				7
8	-			-				8
9	252			252				9
10	623	700		1,323				10
11	121			121				11
12	2,284	700	-	2,984	-	-	11	12
13	167			167				13
14	40,504			40,504			6,932	14
15	-			-				15
16	31,929	-		31,929				16
17	3,248			3,248				17
18	-			-				18
19	-			-				19
20	50			50				20
21	-	9,000		9,000				21
22	-	8,379		8,379				22
23	75,898	17,379	-	93,277	-	-	6,932	23
24	78,182	18,079	-	96,261	-	-	6,943	24
25	378			378				25
26	378	-	-	378	-	-	-	26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34								34
35								35
36								36
37								37
38								38
39								39
40								40

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - (Continued)

(Dollars in Thousands)

Line No.	Account No. (a)	Class No. (b)	Kind of Industry (c)	Name of Issuing Company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent of Control (e)	Line No.
1	721	E-1	VII	Paducah & Illinois Railroad Company		1
2				TOTAL CLASS E-1		2
3	721	E-2	VII	Winchester & Western Railroad Company		3
4				TOTAL CLASS E-2		4
5	721	E-3	X	Beaver Street Tower Company		5
6	721	E-3	X	Total Distributions Services, Inc.		6
7	722	E-3	X	TRANSFLO Corporation		7
8				TOTAL CLASS E-3		8
9				TOTAL INVESTMENT AND ADVANCES		9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19						19
20						20
21						21
22						22
23						23
24						24
25						25
26						26
27						27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35				SUMMARY		35
36	721			Stocks		36
37				Bonds		37
38				Other secured obligations		38
39				Investment advances		39
40				GRAND TOTAL		40

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - (Concluded)

(Dollars in Thousands)

Line No.	Investments and Advances				Disposed of profit (loss) (j)	Adjustments Account 721.5 (k)	Dividends or interest credited to income (l)	Line No.
	Opening Balance (f)	Additions (g)	Deductions (if other than sale, explain) (h)	Closing Balance (i)				
1	576	-	-	576				1
2	576	-	-	576	-	-	-	2
3	36	-	-	36				3
4	36	-	-	36	-	-	-	4
5	10	-	-	10				5
6	40,981	-		40,981				6
7	2,440	-		2,440				7
8	43,431	-	-	43,431	-	-	-	8
9	44,043	-	-	44,043	-	-	-	9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34								34
35								35
36	78,182	-	-	78,182	-	-	6,943	36
37	378	-	-	378	-	-	-	37
38	-	-	-	-	-	-	-	38
39	44,043	-	-	44,043	-	-	-	39
40	122,603	-	-	122,603	-	-	6,943	40

310A. INVESTMENTS IN COMMON STOCK OF AFFILIATED COMPANIES

(Dollars in Thousands)

Undistributed Earnings From Certain Investments in Affiliated Companies

1. Report below the details of all investments in common stock included in Account 721, Investments and Advances Affiliated Companies.
2. Enter in column (c) the amount necessary to retroactively adjust those investments. (See instruction 5-2, Uniform System of Accounts).
3. Enter in column (d) the share of undistributed earnings (i.e., less dividends) or losses.
4. Enter in column (e) the amortization for the year of the excess of cost over equity in net assets (equity over cost) at date of acquisition.
5. For definitions of carrier and noncarrier, see general instructions.

Line No.	Name of issuing company and description of security held (a)	Balance at beginning of year (b)	Adjustments for investments equity method (c)	Equity in undistributed earnings (losses) during year (d)	Amortization during year (e)	Adjustment for investments disposed of or written down during year (f)	Balance at close of year (g)	Line No.
1	Carriers: (List specifics for each company)							1
2	Albany Port Railroad Co.	(95)		(71)			(166)	2
3	The Belt Railway of Chicago	29,715		(571)			29,144	3
4	Chatham Terminal Co.	5		-			5	4
5	Norfolk and Portsmouth Belt Line Railroad Company	2,327		(513)			1,814	5
6	TTX Company	326,468		13,952			340,420	6
7	Winston-Salem Southbound Railway Company - Stock	4,827		1,766			6,593	7
8								8
9								9
10								10
11								11
12								12
13	TOTAL CARRIERS	363,247	-	14,563	-	-	377,810	13
14	Noncarriers: (List specifics for each company)							14
15	CSX Fiber Networks, LLC	40,273		6,407			46,680	15
16	Helm Chesapeake	570		349			919	16
17	Richmond Center Association (Partnership)	-		-			-	17
18				-			-	18
19				-			-	19
20								20
21								21
22								22
23								23
24								24
25								25
26	TOTAL NON-CARRIERS	40,843	-	6,756	-	-	47,599	26
27	Grand Total	404,090	-	21,319 *	-	-	425,409	27

* Actual equity earnings, as reported on Schedule 210, Line 26 Column (b), were \$9,550. The difference between the Schedule 210 and the equity earnings listed above are due to the following: (\$853) for AOCI related to The Belt Railway of Chicago, (\$1,329) for dividends paid and AOCI changes related to Norfolk and Portsmouth Belt Line Railroad Company, and \$13,951 recorded as a credit to rent expense for TTX Company due to the nature of operations.

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 330

1. Give particulars of balances at the beginning and close of the year and of all changes during the year in Account No. 731, "Road and Equipment Property" and Account No. 732, "Improvements on Leased Property" classified by primary accounts in accordance with the Uniform System of Accounts for Railroad Companies. The balances, by primary accounts, should, insofar as known, be stated in column (b) and all changes made during the year should be analyzed in columns (c) to (f), inclusive. Column (g) should be the net of the amounts in columns (c) through (f). Column (h) is the aggregate of columns (b) through (f), inclusive. Grand totals of columns (b) and (h) should equal the sum of Accounts 731 and 732 for the respective periods; if not, a full explanation should be made in a footnote.
2. In column (c), show disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, and for the extension of old lines, as provided for in Instruction 2-1, "Items to be charged" in the Uniform System of Accounts for Railroad Companies for such items.
3. In column (d), show the cost of a railway or portion thereof, acquired as an operating entity or system by purchase, merger, consolidation, reorganization, receivership sale or transfer, or otherwise.
4. Columns (c) and (e) should include all entries covering expenditures for additions and betterments, as defined, whether or not replacing other property.
5. All credits representing property sold, abandoned, or otherwise retired should be shown in column (f).
6. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in the column in which the item was initially included. Also, the transfer of prior years' debits or credits from investment in road and equipment to operating expenses or other accounts, or vice versa, should be included in the column applicable to current items of like nature. Each such transfer, adjustment, or clearance should be fully explained when in excess of \$100,000.
7. If during the year an individual charge of \$100,000 or more was made to Account No. 2, "Land for Transportation Purposes," state the cost, location, area, and other details which will identify the property in a footnote.
8. Report on line 29 amounts not included in the primary road accounts. The items reported should be briefly identified and explained under "Notes and Remarks" below. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Board 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 Board.
9. If during the year a segment of transportation property was acquired, state in a footnote the name of the vendor, the mileage acquired, and the date of acquisition, giving location and cost of the property to the respondent. Also furnish a statement of the amount included in each primary account representing such property acquired, referring to the column or columns in which the entries appear.
10. If an amount of less than \$5,000 is used as the minimum for additions and betterments to property investment accounts as provided for in Instruction 2-2 of the Uniform System of Accounts for Railroad Companies, state the amount used in a footnote.

NOTES AND REMARKS

() = Credits
Dollars in thousands

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT

(Dollars in Thousands)

Line No.	Cross No.	Account (a)	Balance at Beginning of year (b)	Expenditures during the year for original road & equipment & road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)	Line No.
1		(2) Land for transportation purposes	1,790,213			1
2		(3) Grading	2,341,072			2
3		(4) Other right-of-way expenditures	7,580			3
4		(5) Tunnels and subways	135,532			4
5		(6) Bridges, trestles and culverts	1,731,789			5
6		(7) Elevated structures	-			6
7		(8) Ties	3,503,158			7
8		(9) Rail and other track material	5,320,366			8
9		(11) Ballast	2,180,471			9
10		(13) Fences, snowsheds and signs	15,416			10
11		(16) Station and office buildings	662,737			11
12		(17) Roadway buildings	25,078			12
13		(18) Water stations	-			13
14		(19) Fuel stations	79,918			14
15		(20) Shops and enginehouses	303,043			15
16		(22) Storage warehouses	-			16
17		(23) Wharves and docks	2,474			17
18		(24) Coal and ore wharves	168,814			18
19		(25) TOFC/COFC terminals	103,311			19
20		(26) Communications systems	292,608			20
21		(27) Signals and interlockers	1,502,763			21
22		(29) Power plants	2,271			22
23		(31) Power transmission systems	42,399			23
24		(35) Miscellaneous structures	365			24
25		(37) Roadway machines	337,043			25
26		(39) Public improvements - construction	390,428			26
27		(44) Shop machinery	113,172			27
28		(45) Power plant machinery	3,276			28
29		Other lease/rentals	10,738			29
30		TOTAL EXPENDITURES FOR ROAD	21,066,035	-	-	30
31		(52) Locomotives	4,335,344			31
32		(53) Freight train cars	2,772,086			32
33		(54) Passenger train cars	621			33
34		(55) Highway revenue equipment	(1)			34
35		(56) Floating equipment	1,864			35
36		(57) Work equipment	117,857			36
37		(58) Miscellaneous equipment	279,333			37
38		(59) Computer systems & word processing equipment	7,295			38
39		TOTAL EXPENDITURES FOR EQUIPMENT	7,514,399	-	-	39
40		(76) Interest during construction	-			40
41		(80) Other elements of investment	-			41
42		(90) Construction work in progress	261,338			42
43		GRAND TOTAL	28,841,772	-	-	43

See Notes on Page 31.

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT - (Continued)
(Dollars in Thousands)

Line No.	Cross No.	Expenditures for additions during the year (e)	Credits for property retired during the year (f)	Net changes during the year (g)	Balance at close of year (h)	Line No.
1		2,469	4,548	(2,079)	1,788,134	1
2		12,003	226	11,777	2,352,849	2
3		27	-	27	7,607	3
4		727	42	685	136,217	4
5		65,070	8,388	56,682	1,788,471	5
6		-	-	-	-	6
7		307,958	133,131	174,827	3,677,985	7
8		377,538	121,441	256,097	5,576,463	8
9		130,119	31,632	98,487	2,278,958	9
10		586	7	579	15,995	10
11		45,071	6,571	38,500	701,237	11
12		767	3,841	(3,074)	22,004	12
13		-	-	-	-	13
14		4,454	173	4,281	84,199	14
15		6,980	(3,797)	10,777	313,820	15
16		-	-	-	-	16
17		-	-	-	2,474	17
18		6,117	954	5,163	173,977	18
19		-	11,434	(11,434)	91,877	19
20		32,614	12,552	20,062	312,670	20
21		105,332	42,897	62,435	1,565,198	21
22		-	-	-	2,271	22
23		644	12	632	43,031	23
24		-	-	-	365	24
25		24,828	7,277	17,551	354,594	25
26		53,230	25,210	28,020	418,448	26
27		4,067	904	3,163	116,335	27
28		-	-	-	3,276	28
29		473	(5,652)	6,125	16,863	29
30		1,181,074	401,791	779,283	21,845,318	30
31		57,960	35,681	22,279	4,357,623	31
32		72,127	172,175	(100,048)	2,672,038	32
33		-	-	-	621	33
34		-	(1)	1	-	34
35		-	(62)	62	1,926	35
36		8,207	(1,285)	9,492	127,349	36
37		28,460	12,972	15,488	294,821	37
38		9,775	-	9,775	17,070	38
39		176,529	219,480	(42,951)	7,471,448	39
40		-	-	-	-	40
41		-	-	-	-	41
42		47,445	2,944	44,501	305,839	42
43		1,405,048	624,215	780,833	29,622,605	43

-

332. DEPRECIATION BASE AND RATES - ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

(Dollars in Thousands)

1. Show in columns (b) and (e), for each primary account, the depreciation base used to compute depreciation charges for the month of January, and in columns (c) and (f) the depreciation charges for the month of December. In columns (d) and (g), show the composite rates used in computing depreciation charges for December, and on lines 30 and 39 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 that total by the total depreciation base for the same month. The depreciation base should not include cost of equipment used, but not owned, when the rents are included in the rent for equipment and account nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 35-21-00, 35-23-00, 35-22-00, and 35-25-00. It should include cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment, accounts nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, 36-23-00, and 36-25-00, inclusive. Composite rates used should be those prescribed or authorized by the Board, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give particulars in a footnote.
2. All leased property 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 lessor property, when the rent therefore is included in account nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.
4. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for discontinuance of accruals should be shown in a footnote, indicating the affected account(s).
5. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS			Line No.
		Depreciation Base		Annual composite rate % (d)	Depreciation Base		Annual composite rate % (g)	
		At beginning of year (b)	At close of year (c)		At beginning of year (e)	At close of year (f)		
	ROAD							
1	(3) Grading	2,341,072	2,352,849	1.46	4,983	4,983	1.25	1
2	(4) Other right-of-way expenditures	7,580	7,607	1.73	1	1	1.54	2
3	(5) Tunnels and subways	135,532	136,217	1.32	-	-	-	3
4	(6) Bridges, trestles and culverts	1,731,789	1,788,471	1.68	1,878	1,878	1.43	4
5	(7) Elevated structures	-	-	-	-	-	-	5
6	(8) Ties	3,503,158	3,677,985	4.81	1,170	1,170	3.43	6
7	(9) Rail and other track material	5,320,366	5,576,463	2.95	2,702	2,702	2.68	7
8	(11) Ballast	2,180,471	2,278,958	2.76	1,968	1,968	2.50	8
9	(13) Fences, snowsheds and signs	15,416	15,995	2.22	23	23	2.00	9
10	(16) Station and office buildings	662,737	701,237	2.54	548	548	2.50	10
11	(17) Roadway buildings	25,078	22,004	2.73	3	3	2.78	11
12	(18) Water stations	-	-	-	-	-	-	12
13	(19) Fuel stations	79,918	84,199	3.53	-	-	-	13
14	(20) Shops and enginehouses	303,043	313,820	3.03	3	3	2.94	14
15	(22) Storage warehouses	-	-	-	-	-	-	15
16	(23) Wharves and docks	2,474	2,474	5.71	-	-	-	16
17	(24) Coal and ore wharves	168,814	173,977	2.01	-	-	-	17
18	(25) TOFC/COFC terminals	103,311	91,877	2.91	-	-	-	18
19	(26) Communications systems	292,608	312,670	7.67	-	-	-	19
20	(27) Signals and interlockers	1,502,763	1,565,198	3.45	240	240	3.33	20
21	(29) Power plants	2,271	2,271	5.64	-	-	-	21
22	(31) Power transmission systems	42,399	43,031	18.30	-	-	-	22
23	(35) Miscellaneous structures	365	365	-	-	-	-	23
24	(37) Roadway machines	337,043	354,594	9.66	11	11	5.88	24
25	(39) Public improvements - construction	390,428	418,448	2.38	-	-	-	25
26	(44) Shop machinery	113,172	116,335	4.57	-	-	-	26
27	(45) Power plant machinery	3,276	3,276	2.94	-	-	-	27
28	All other road accounts	10,738	16,863	-	-	-	-	28
29	Amortization (other than def. projects)	-	-	-	-	-	-	29
30	TOTAL ROAD	19,275,822	20,057,184	3.14	13,530	13,530		30
	EQUIPMENT							
31	(52) Locomotives	4,335,344	4,357,623	3.61	-	-	-	31
32	(53) Freight train cars	2,772,086	2,672,038	3.59	-	-	-	32
33	(54) Passenger train cars	621	621	-	-	-	-	33
34	(55) Highway revenue equipment	(1)	-	-	-	-	-	34
35	(56) Floating equipment	1,864	1,926	-	-	-	-	35
36	(57) Work equipment	117,857	127,349	2.83	-	-	-	36
37	(58) Miscellaneous equipment	279,333	294,821	9.28	-	-	-	37
38	(59) Computer systems & WP equipment	7,295	17,070	16.67	-	-	-	38
39	TOTAL EQUIPMENT	7,514,399	7,471,448	3.79	-	-		39
40	GRAND TOTAL	26,790,221	27,528,632	NA	13,530	13,530	NA	40

See Notes on Page 31.

335. ACCUMULATED DEPRECIATION - ROAD AND EQUIPMENT OWNED AND USED

(Dollars in Thousands)

1. Disclose the required information regarding credits and debits to Account No. 735, "Accumulated Depreciation: Road and Equipment Property" during the year relating to owned and used road equipment. Include entries for depreciation of equipment owned but not used when the resulting rents are included in the "Lease Rentals - Credit - Equipment" accounts and "Other Rents - Credit - Equipment" accounts. Exclude any entries for depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental - Debit - Equipment" accounts and "Other Rents - Debit - Equipment" accounts. (See Schedule 351 for the accumulated depreciation to road and equipment owned and leased to others.)
2. If any data are included in columns (d) or (f), explain the entries in detail.
3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr."
4. If there is any inconsistency between credits to reserves as shown in column (c) and charges to operating expenses, a full explanation should be given.
5. Enter amounts representing amortization under an authorized amortization program other than for defense projects on lines 29 and 39.

Line No.	Cross Check	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)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading	267,871	34,259	512	226	-	302,416	1
2		(4) Other right-of-way expenditures	1,323	134	(25)	-	-	1,432	2
3		(5) Tunnels and subways	27,608	1,803	120	42	-	29,489	3
4		(6) Bridges, trestles and culverts	220,811	29,915	2,268	8,388	-	244,606	4
5		(7) Elevated structures	-	-	-	-	-	-	5
6		(8) Ties	1,062,319	178,961	25,851	123,023	34,105	1,110,003	6
7		(9) Rail and other track material	1,041,883	161,801	45,171	131,943	-	1,116,912	7
8		(11) Ballast	532,367	59,315	(20,129)	31,632	-	539,921	8
9		(13) Fences, snowsheds and signs	3,606	343	2,273	7	-	6,215	9
10		(16) Station and office buildings	143,885	10,276	34,976	13,881	-	175,256	10
11		(17) Roadway buildings	11,642	733	(31,373)	-	-	(18,998)	11
12		(18) Water stations	-	-	(315)	-	-	(315)	12
13		(19) Fuel stations	17,163	2,977	4,357	1,249	-	23,248	13
14		(20) Shops and enginehouses	131,025	9,208	8,905	269	-	148,869	14
15		(22) Storage warehouses	-	-	(14,590)	-	-	(14,590)	15
16		(23) Wharves and docks	484	141	(856)	-	-	(231)	16
17		(24) Coal and ore wharves	65,041	3,509	32,433	954	-	100,029	17
18		(25) TOFC/COFC terminals	51,399	2,745	(33,283)	11,434	-	9,427	18
19		(26) Communications systems	90,243	23,466	43,633	12,552	-	144,790	19
20		(27) Signals and interlockers	269,592	53,123	(78,444)	42,897	-	201,374	20
21		(29) Power plants	331	115	28,132	-	-	28,578	21
22		(31) Power transmission systems	12,094	789	1,157	12	-	14,028	22
23		(35) Miscellaneous structures	12	12	(950)	-	-	(926)	23
24		(37) Roadway machines	169,792	16,149	32,417	7,302	-	211,056	24
25		(39) Public improvements - const.	38,878	9,556	(18,271)	25,210	(1)	4,954	25
26		(44) Shop machinery	37,755	4,968	12,237	904	-	54,056	26
27		(45) Power plant machinery	2,598	703	4,809	-	-	8,110	27
28		All other road accounts	42,411	1,353	(440)	8	(16)	43,332	28
29		Amortization (adjustments)	(359,803)	11,455	(14,831)	-	-	(363,179)	29
30		TOTAL ROAD	3,882,330	617,809	65,744	411,933	34,088	4,119,862	30
		EQUIPMENT							
31	*	(52) Locomotives	1,277,253	155,780	17,039	32,918	-	1,417,154	31
32	*	(53) Freight train cars	1,030,302	103,117	(104,085)	172,798	-	856,536	32
33	*	(54) Passenger train cars	-	-	-	-	-	-	33
34	*	(55) Highway revenue equipment	(5,840)	-	-	-	-	(5,840)	34
35	*	(56) Floating equipment	86	53	-	-	-	139	35
36	*	(57) Work equipment	24,358	3,918	1,108	710	-	28,674	36
37	*	(58) Miscellaneous equipment	117,119	26,679	(5,303)	13,078	-	125,417	37
38		(59) Computer systems & WP equip.	17,178	1,800	-	-	-	18,978	38
39	*	Amortization (adjustments)	543,391	(44,251)	110,931	-	-	610,071	39
40		TOTAL EQUIPMENT	3,003,847	247,096	19,690	219,504	-	3,051,129	40
41		GRAND TOTAL	6,886,177	864,905	85,434	631,437	34,088	7,170,991	41

A debit balance in columns (b) or (g) is indicated by ()

Entries in columns (d) represent salvage (\$56.5M), recapture of depreciation expense on Roadway Machines dealing with track structure construction projects (\$20.6M), recapture of depreciation expense on ballast cars acquired via capital lease (\$2.0M). Entries in column (f) represent rail and tie cost of removal activity (\$34.1M).

339. ACCRUED LIABILITY - LEASED PROPERTY

(Dollars in Thousands)

1. Disclose the required information relating to credits and debits of Account 772, "Accrued Liability Leased Property," during the year concerning road and equipment leased from others.
2. In column (c), enter amounts charged to operating expenses. In column (e), enter debits to accounts arising from retirements. In column (f), enter amounts paid to lessor.
3. Any inconsistencies between credits to account, charges to operating expenses, and payment to lessors should be fully explained.
4. Required disclosure may be omitted if leased road and equipment property represents 5% or less of total property owned and used.
5. If settlement for depreciation is made currently between lessee and lessor, and no debits or credits to Account No. 772 are made by the accounting company, show in column (c) the charges to operating expenses, and in column (f) show payments made to the lessor in settlement thereof.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO ACCOUNTS During the year		DEBITS TO ACCOUNTS During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading							1
2		(4) Other right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles and culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snowsheds and signs							9
10		(16) Station and office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communications systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements - const.							25
26		(44) Shop machinery *							26
27		(45) Power plant machinery							27
28		All other road accounts							28
29		Amortization (adjustments)							29
30		TOTAL ROAD							30
		EQUIPMENT							
31		(52) Locomotives							31
32		(53) Freight train cars							32
33		(54) Passenger train cars							33
34		(55) Highway revenue equipment							34
35		(56) Floating equipment							35
36		(57) Work equipment							36
37		(58) Miscellaneous equipment							37
38		(59) Computer systems & WP equipment							38
39		Amortization (adjustments)							39
40		TOTAL EQUIPMENT							40
41		GRAND TOTAL							41

*To be reported with equipment expenses rather than W&S expenses.

Included in Schedule 335

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

(Dollars in Thousands)

1. Show in column (b) for each primary account the depreciation base used in computing the depreciation charges for the month of January, and in column (c) show the depreciation base used in computing the depreciation charges for the month of December, in column (d) show the composite rates used to compute depreciation charges for December, and on lines 30 and 40 of these columns show the composite percentage of all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. This schedule should include only improvements to leased property charged to Account 732, "Improvements on Leased Property." The composite rates used should be those prescribed or authorized by the Board, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give particulars in a footnote.
2. All improvements to leased property may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.
3. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for discontinuance of accruals should be shown in a footnote, indicating the affected account(s).
4. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 41, Grand Total, should be completed.

Line No.	Account (a)	Depreciation Base		Annual composite rate (percent) (d)	Line No.
		Beginning of year (b)	Close of year (c)		
	ROAD				
1	(3) Grading				1
2	(4) Other right-of-way expenditures				2
3	(5) Tunnels and subways				3
4	(6) Bridges, trestles and culverts				4
5	(7) Elevated structures				5
6	(8) Ties				6
7	(9) Rail and other track material				7
8	(11) Ballast				8
9	(13) Fences, snowsheds and signs				9
10	(16) Station and office buildings				10
11	(17) Roadway buildings				11
12	(18) Water stations				12
13	(19) Fuel stations				13
14	(20) Shops and enginehouses				14
15	(22) Storage warehouses				15
16	(23) Wharves and docks				16
17	(24) Coal and ore wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communications systems				19
20	(27) Signals and interlockers				20
21	(29) Power plants				21
22	(31) Power transmission systems				22
23	(35) Miscellaneous structures				23
24	(37) Roadway machines				24
25	(39) Public improvements - const.				25
26	(44) Shop machinery *				26
27	(45) Power plant machinery				27
28	All other road accounts				28
29	Amortization (adjustments)				29
30	TOTAL ROAD				30
	EQUIPMENT				
31	(52) Locomotives				31
32	(53) Freight train cars				32
33	(54) Passenger train cars				33
34	(55) Highway revenue equipment				34
35	(56) Floating equipment				35
36	(57) Work equipment				36
37	(58) Miscellaneous equipment				37
38	(59) Computer systems & WP equip.				38
39	Amortization (adjustments)				39
40	TOTAL EQUIPMENT				40
41	GRAND TOTAL				41

*To be reported with equipment expenses rather than W&S expenses.

Included in Schedule 332

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

(Dollars in Thousands)

1. Enter the required information concerning debits and credits to Account 733, "Accumulated Depreciation - Improvements on Leased Property," during the year relating to improvements made to road and equipment property leased from others, the depreciation charges for which are included in operating expenses of the respondent.
2. If any entries are made for column (d) "Other credits" or column (f) "Other debits", state the facts occasioning such entries on page 39. A debit balance in column (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."
3. Any inconsistency between credits to the reserve as shown in column (c) and charges to operating expenses should be fully explained on page 39.
4. Show in column (e) the debits to the reserve arising from retirements. These debits should not exceed investment, etc.
5. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39 Grand Total, should be completed.

Line No.	Cross Check	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)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading							1
2		(4) Other right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles and culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snowsheds and signs							9
10		(16) Station and office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communications systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements - const.							25
26		(44) Shop machinery *							26
27		(45) Power plant machinery							27
28		All other road accounts							28
29		TOTAL ROAD							29
		EQUIPMENT							
30		(52) Locomotives							30
31		(53) Freight train cars							31
32		(54) Passenger train cars							32
33		(55) Highway revenue equipment							33
34		(56) Floating equipment							34
35		(57) Work equipment							35
36		(58) Miscellaneous equipment							36
37		(59) Computer systems & WP equip.							37
38		TOTAL EQUIPMENT							38
39		GRAND TOTAL							39

*To be reported with equipment expenses rather than W&S expenses.

Included in Schedule 335

NOTES AND REMARKS FOR SCHEDULE 342

350. DEPRECIATION BASE AND RATES - ROAD AND EQUIPMENT LEASED TO OTHERS

(Dollars in Thousands)

1. This schedule is to be used in cases where the related depreciation reserve is carried in the accounts of the respondent and the rent therefrom is included in Accounts 32-11-00, 32-12-00, 32-13-00, 32-21-00, 32-22-00, and 32-23-00.
2. Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation for the months of January and December, respectively, with respect to road and equipment owned by the respondent but leased to others, the depreciation charges for which are not included 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 Board's Office of Economic and Environmental Analysis, 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 to compute depreciation for December, and on lines 29 and 38 of this column show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used to compute depreciation for December and dividing the total also computed by the depreciation base.
4. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for discontinuance of accruals should be shown in a footnote, indicating the affected account(s).
5. Disclosures in the respective sections of this schedule may be omitted if either total road leased to others or total equipment leased to others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39, Grand Total, should be completed.

Line No.	Account (a)	Depreciation Base		Annual composite rate (percent) (d)	Line No.
		Beginning of year (b)	Close of year (c)		
	ROAD				
1	(3) Grading				1
2	(4) Other right-of-way expenditures				2
3	(5) Tunnels and subways				3
4	(6) Bridges, trestles and culverts				4
5	(7) Elevated structures				5
6	(8) Ties				6
7	(9) Rail and other track material				7
8	(11) Ballast				8
9	(13) Fences, snowsheds and signs				9
10	(16) Station and office buildings				10
11	(17) Roadway buildings				11
12	(18) Water stations				12
13	(19) Fuel stations				13
14	(20) Shops and enginehouses				14
15	(22) Storage warehouses				15
16	(23) Wharves and docks				16
17	(24) Coal and ore wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communications systems				19
20	(27) Signals and interlockers				20
21	(29) Power plants				21
22	(31) Power transmission systems				22
23	(35) Miscellaneous structures				23
24	(37) Roadway machines				24
25	(39) Public improvements - const.				25
26	(44) Shop machinery *				26
27	(45) Power plant machinery				27
28	All other road accounts				28
29	TOTAL ROAD				29
	EQUIPMENT				
30	(52) Locomotives				30
31	(53) Freight train cars				31
32	(54) Passenger train cars				32
33	(55) Highway revenue equipment				33
34	(56) Floating equipment				34
35	(57) Work equipment				35
36	(58) Miscellaneous equipment				36
37	(59) Computer systems & WP equip.				37
38	TOTAL EQUIPMENT				38
39	GRAND TOTAL				39

Included in Schedule 332

351. ACCUMULATED DEPRECIATION - ROAD AND EQUIPMENT LEASED TO OTHERS

(Dollars in Thousands)

1. This schedule is to be used in cases where the related depreciation reserve is carried in the accounts of the respondent and the rent therefrom is included in Accounts 32-11-00, 32-12-00, 32-13-00, 32-21-00, 32-22-00, and 32-23-00.
2. Disclose credits and debits to Account 735, "Accumulated Depreciation - Road and Equipment Property," during the year relating to road and equipment leased to others, the depreciation charges for which are not included in operating expenses of the respondent. (See Schedule 330 for the reserve relating to road and equipment owned and used by the respondent).
3. If any entries are made for column (d) "Other credits" or column (f) "Other debits," state the facts occasioning such entries on page 39. A debit balance in columns (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."
4. Disclosures in the respective sections of this schedule may be omitted if either total road leased to others or total equipment leased to others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39, Grand Total, should be completed.

Line No.	Cross Check	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)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading							1
2		(4) Other right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles and culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snowsheds and signs							9
10		(16) Station and office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communications systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements - const.							25
26		(44) Shop machinery *							26
27		(45) Power plant machinery							27
28		All other road accounts							28
29		TOTAL ROAD							29
		EQUIPMENT							
30		(52) Locomotives							30
31		(53) Freight train cars							31
32		(54) Passenger train cars							32
33		(55) Highway revenue equipment							33
34		(56) Floating equipment							34
35		(57) Work equipment							35
36		(58) Miscellaneous equipment							36
37		(59) Computer systems & WP equip.							37
38		TOTAL EQUIPMENT							38
39		GRAND TOTAL							39

* To be reported with equipment expenses rather than W&S expenses.

Included in Schedule 335

352A. INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Company)

(Dollars in Thousands)

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

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

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

4. In column (c), line-haul carriers report the miles of road used in line-haul service. Report miles in whole numbers.

5. In column (d), show the amount applicable to Accounts 731 and 732 on the books of companies whose names appear in column (b). Values of property of other carriers segregated by estimate or otherwise should correspond in amount to deductions made by the owners in their reports. If separate value is not available, an explanation should be provided. Differences between amounts shown in column (d) of this schedule and column (c), line 24, on the asset side of the general balance sheet of each individual railway should be explained in a footnote. Book values included in Accounts 731 and 732 of the owner should be reported in column (d) in reference to the investment of respondent in securities of the owner unless a good reason can be given for the contrary. Methods of estimating (by capitalizing rentals at 6% or otherwise) value of property of private owners, or portions of property of other carriers, should be explained.

6. In column (e), show the amount of depreciation and amortization accrued as of the close of the year in Accounts 733, 734, 735, 736, and 772, that is applicable to the property of the carriers whose names are listed in column (b), regardless of where reserves therefor are recorded.

Line No.	Class (See Ins. 2) (a)	Name of company (b)	Miles of road used (See Ins. 4) (whole number) (c)	Investments in property (See Ins. 5) (d)	Depreciation & amortization of defense projects (See Ins. 6) (e)	Line No.
1	R	CSX Transportation, Inc. - Consolidated	16,547	29,622,605	7,170,991	1
2						2
3	P	Augusta and Summerville Railroad Company		379	235	3
4	P	High Point, Thomasville & Denton Railroad	34	10,580	7,551	4
5	P	Winston-Salem Southbound Railway		35,811	22,347	5
6		Total Inactive or Proprietary Companies	34	46,770	30,133	6
7						7
8	O	Central Railroad Company of South Carolina	40	468		9
9	O	Chicago, Rock Island & Pacific Railroad	86	n/a		8
10	O	Dayton and Michigan Railroad	139	899		10
11	O	Norfolk Southern Railway Company	6	n/a		11
12	O	Southern Railway	9	262		12
13	O	Strouds Creek and Muddlety Railroad	20	256	7	13
14	O	U.S. Steel Corporation	2	159		14
15	O	Virginia Electric and Power Company (Mt. Storm Railroad)	15	3,158		15
16	O	Washington and Franklin Railway Company	32	520	27	16
17	O	Western & Atlantic Railroad	137	7,915	1,368	17
18		Total Other Leased Properties	486	13,637	1,402	18
19						19
20						20
22						22
23						23
24						24
25						25
26						26
27						27
28						28
29						29
30						30
31		TOTAL	17,067	29,683,012	7,202,526	31

352B. INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Property Account)
(Dollars in Thousands)

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

2. The amounts for respondent and for each group or class of companies and properties on line 44 should correspond with the amounts for each class of company and property shown in Schedule 352A. Continuing records shall be maintained by respondent of the primary property accounts separately for each company or property included in this schedule.

3. Report on line 29 amounts representing capitalization of rentals for leased property based on 6% per year where property is not classified by accounts by noncarrier owners, or where the cost of property leased from other carriers is not ascertainable. Identify noncarrier owners, and briefly explain on page 39 the methods of estimating value of property on noncarriers or property of other carriers.

4. Report on line 30 amounts not included in the accounts shown, or on line 29. The items reported should be briefly identified and explained. Also include here those items after permission is obtained from the Board for exceptions to prescribed accounting. Reference to such authority should be made when explaining amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Board.

Line No.	Cross Check	Account (a)	Respondent (b)	Lessor Railroads (c)	Inactive (proprietary companies) (d)	Other leased properties (e)	Line No.
1		(2) Land for transportation purposes	1,788,133	433	-	107	1
2		(3) Grading	2,352,852	2,110	-	4,983	2
3		(4) Other right-of-way expenditures	7,608	1	-	1	3
4		(5) Tunnels and subways	136,218	-	-	-	4
5		(6) Bridges, trestles and culverts	1,788,471	1,290	-	1,878	5
6		(7) Elevated structures	-	-	-	-	6
7		(8) Ties	3,677,986	18,598	-	1,170	7
8		(9) Rail and other track material	5,576,462	14,258	-	2,702	8
9		(11) Ballast	2,278,958	7,396	-	1,968	9
10		(13) Fences, snowsheds and signs	15,996	8	-	23	10
11		(16) Station and office buildings	701,236	375	-	548	11
12		(17) Roadway buildings	22,003	3	-	3	12
13		(18) Water stations	-	-	-	-	13
14		(19) Fuel stations	84,197	-	-	-	14
15		(20) Shops and enginehouses	313,821	37	-	3	15
16		(22) Storage warehouses	-	-	-	-	16
17		(23) Wharves and docks	2,474	-	-	-	17
18		(24) Coal and ore wharves	173,978	-	-	-	18
19		(25) TOFC/COFC terminals	91,877	-	-	-	19
20		(26) Communication systems	312,669	3	-	-	20
21		(27) Signals and interlockers	1,565,198	762	-	240	21
22		(29) Power plants	2,271	-	-	-	22
23		(31) Power transmission systems	43,030	-	-	-	23
24		(35) Miscellaneous structures	364	-	-	-	24
25		(37) Roadway machines	354,594	690	-	11	25
26		(39) Public improvements - construction	418,449	563	-	-	26
27		(44) Shop machinery	116,334	27	-	-	27
28		(45) Power plant machinery	3,276	-	-	-	28
29		Leased property (capitalized rentals)	-	-	-	-	29
30		Other (specify and explain)	16,863	-	-	-	30
31		TOTAL ROAD	21,845,318	46,554	-	13,637	31
32		(52) Locomotives	4,357,624	-	-	-	32
33		(53) Freight train cars	2,672,038	-	-	-	33
34		(54) Passenger train cars	621	-	-	-	34
35		(55) Highway revenue equipment	-	-	-	-	35
36		(56) Floating equipment	1,926	-	-	-	36
37		(57) Work equipment	127,348	-	-	-	37
38		(58) Miscellaneous equipment	294,821	216	-	-	38
39		(59) Computer systems & WP equipment	17,070	-	-	-	39
40		TOTAL EQUIPMENT	7,471,448	216	-	-	40
41		(76) Interest during construction	-	-	-	-	41
42		(80) Other elements of investment	-	-	-	-	42
43		(90) Construction work in progress	305,839	-	-	-	43
44		GRAND TOTAL	29,622,605	46,770	-	13,637	44

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 410

Cross Checks

Schedule 410

Line 620, column (h)
 Line 620, column (f)
 Line 620, column (g)

Schedule 210

= Line 14, column (b)
 = Line 14, column (d)
 = Line 14, column (e)

Schedule 412

Lines 136 through 138, column (f) = Line 29 column (b)
 Lines 118 through 123 and 130 through 135, column (f) = Line 29, column (c)

Schedule 414

Line 231, column (f) = Line 19, columns (b) through (d)
 Line 230, column (f) = Line 19, columns (e) through (g)

Schedule 415

Lines 207, 208, 211, 212, column (f) = Lines 5, 38, column (f)
 Lines 226, 227, column (f) = Lines 24, 39, column (f)
 Lines 311, 312, 315, 316, column (f) = Lines 32, 35, 36, 37, 40, 41, column (f)

And
 Schedule 414

Minus line 24, columns (b) through (d) plus line 24, columns (e) through (g)

Schedule 415

Line 213, column (f) = Lines 5, 38, columns (c) and (d)
 Line 232, column (f) = Lines 24, 39, columns (c) and (d)
 Line 317, column (f) = Lines 32, 35, 36, 37, 40, 41, columns (c) and (d)

Lines 202, 203, 216, column (f), equal to or greater than, but variance cannot exceed line 216, column (f)

Lines 5, 38, column (b)

Lines 221, 222, 235, column (f), equal to or greater than, but variance cannot exceed line 235, column (f)

Lines 24, 39, column (b)

Lines 302 through 307 and 320, column (f), equal to or greater than, but variance cannot exceed line 320, column (f)

Lines 32, 35, 36, 37, 40, 41, column (b)

Schedule 417

Line 507, column (f) = Line 1, column (j)
 Line 508, column (f) = Line 2, column (j)
 Line 509, column (f) = Line 3, column (j)
 Line 510, column (f) = Line 4, column (j)
 Line 511, column (f) = Line 5, column (j)
 Line 512, column (f) = Line 6, column (j)
 Line 513, column (f) = Line 7, column (j)
 Line 514, column (f) = Line 8, column (j)
 Line 515, column (f) = Line 9, column (j)
 Line 516, column (f) = Line 10, column (j)
 Line 517, column (f) = Line 11, column (j)

Schedule 450

Line 4, column (b)

Schedule 210

= Line 47, column (b)

410. RAILWAY OPERATING EXPENSES

(Dollars in Thousands)

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

Road Initials: CSXT Year: 2009

45

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
		WAY & STRUCTURES								
		ADMINISTRATION								
1		Track	4,405	3,154	2,622	6,179	16,360	N/A	16,360	1
2		Bridge & building	2,458	322	1,226	828	4,834	N/A	4,834	2
3		Signal	13,818	2,750	9,996	2,653	29,217	N/A	29,217	3
4		Communication	240	52	2,378	86	2,756	N/A	2,756	4
5		Other	20,212	(4,892)	2,707	9,527	27,554	N/A	27,554	5
		REPAIRS AND MAINTENANCE								
6		Roadway - running	39,133	4,855	7,541	-	51,529	N/A	51,529	6
7		Roadway - switching	5,895	113	1,162	16	7,186	N/A	7,186	7
8		Tunnels & subways - running	6	-	-	-	6	N/A	6	8
9		Tunnels & subways - switching	-	3,024	-	-	3,024	N/A	3,024	9
10		Bridges & culverts - running	15,545	2,257	1,079	3,804	22,685	N/A	22,685	10
11		Bridges & culverts - switching	1	-	-	-	1	N/A	1	11
12		Ties - running	1,379	1,055	1	204	2,639	N/A	2,639	12
13		Ties - switching	3,301	250	-	-	3,551	N/A	3,551	13
14		Rail & other track material - running	58,914	30,138	19,417	7,970	116,439	N/A	116,439	14
15		Rail & other track material - switching	8,268	914	1	70	9,253	N/A	9,253	15
16		Ballast - running	20,142	155	-	-	20,297	N/A	20,297	16
17		Ballast - switching	295	46	-	-	341	N/A	341	17
18		Road property damaged - running	2,992	208	37	-	3,237	N/A	3,237	18
19		Road property damaged - switching	230	-	-	-	230	N/A	230	19
20		Road property damaged - other	-	185	-	-	185	N/A	185	20
21		Signals & interlockers - running	42,521	14,248	5,425	3,053	65,247	N/A	65,247	21
22		Signals & interlockers - switching	13,850	1,073	2,346	-	17,269	N/A	17,269	22
23		Communications systems	27,275	3,995	5,412	588	37,270	N/A	37,270	23
24		Power systems	1,080	-	-	-	1,080	N/A	1,080	24
25		Highway grade crossings - running	12,902	455	1,404	-	14,761	N/A	14,761	25
26		Highway grade crossings - switching	40	52	467	-	559	N/A	559	26
27		Station & office buildings	5,658	2,451	4,337	1,197	13,643	N/A	13,643	27
28		Shop buildings - locomotives	3,606	2,470	3,184	209	9,469	N/A	9,469	28
29		Shop buildings - freight cars	331	379	3,418	-	4,128	N/A	4,128	29
30		Shop buildings - other equipment	1,999	3,040	4,261	-	9,300	N/A	9,300	30

410. RAILWAY OPERATING EXPENSES (Continued)

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
101		REPAIRS AND MAINTENANCE - (Continued) Locomotive servicing facilities	3,410	124	-	-	3,534	N/A	3,534	101
102		Miscellaneous buildings & structures	1,001	15	141	42	1,199	N/A	1,199	102
103		Coal terminals	65	-	62	-	127	N/A	127	103
104		Ore terminals	-	-	-	-	-	N/A	-	104
105		Other marine terminals	1	-	1,491	-	1,492	N/A	1,492	105
106		TOFC/COFC terminals	-	-	-	-	-	N/A	-	106
107		Motor vehicle loading & distribution facilities	1	-	-	-	1	N/A	1	107
108		Facilities for other specialized service operations	30	16	-	-	46	N/A	46	108
109		Roadway machines	1,868	11,767	903	273	14,811	N/A	14,811	109
110		Small tools & supplies	-	-	-	-	-	N/A	-	110
111		Snow removal	2,254	-	732	-	2,986	N/A	2,986	111
112		Fringe benefits - running	N/A	N/A	N/A	88,170	88,170	N/A	88,170	112
113		Fringe benefits - switching	N/A	N/A	N/A	1	1	N/A	1	113
114		Fringe benefits - other	N/A	N/A	N/A	37,786	37,786	N/A	37,786	114
115		Casualties & insurance - running	N/A	N/A	N/A	(6,178)	(6,178)	N/A	(6,178)	115
116		Casualties & insurance - switching	N/A	N/A	N/A	5,224	5,224	N/A	5,224	116
117		Casualties & insurance - other	N/A	N/A	N/A	2,612	2,612	N/A	2,612	117
118	*	Lease rentals - debit - running	N/A	N/A	30,969	N/A	30,969	N/A	30,969	118
119	*	Lease rentals - debit - switching	N/A	N/A	-	N/A	-	N/A	-	119
120	*	Lease rentals - debit - other	N/A	N/A	14,329	N/A	14,329	N/A	14,329	120
121	*	Lease rentals - (credit) - running	N/A	N/A	(16,500)	N/A	(16,500)	N/A	(16,500)	121
122	*	Lease rentals - (credit) - switching	N/A	N/A	-	N/A	-	N/A	-	122
123		Lease rentals - (credit) - other	N/A	N/A	(28,999)	N/A	(28,999)	N/A	(28,999)	123
124		Joint facility rent - debit - running	N/A	N/A	-	N/A	-	N/A	-	124
125		Joint facility rent - debit - switching	N/A	N/A	19,906	N/A	19,906	N/A	19,906	125
126		Joint facility rent - debit - other	N/A	N/A	-	N/A	-	N/A	-	126
127		Joint facility rent - (credit) - running	N/A	N/A	-	N/A	-	N/A	-	127
128		Joint facility rent - (credit) - switching	N/A	N/A	(25)	N/A	(25)	N/A	(25)	128
129		Joint facility rent - (credit) - other	N/A	N/A	(13)	N/A	(13)	N/A	(13)	129
130	*	Other rents - debit - running	N/A	N/A	-	N/A	-	N/A	-	130
131	*	Other rents - debit - switching	N/A	N/A	-	N/A	-	N/A	-	131
132	*	Other rents - debit - other	N/A	N/A	-	N/A	-	N/A	-	132
133	*	Other rents - (credit) - running	N/A	N/A	-	N/A	-	N/A	-	133

410. RAILWAY OPERATING EXPENSES (Continued)

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
134	*	REPAIRS AND MAINTENANCE - Continued Other rents - (credit) - switching	N/A	N/A	-	N/A	-	N/A	-	134
135	*	Other rents - (credit) - other	N/A	N/A	-	N/A	-	N/A	-	135
136	*	Depreciation - running	N/A	N/A	N/A	416,762	416,762	N/A	416,762	136
137	*	Depreciation - switching	N/A	N/A	N/A	-	-	N/A	-	137
138	*	Depreciation - other	N/A	N/A	N/A	210,559	210,559	N/A	210,559	138
139		Joint facility - debit - running	N/A	N/A	-	N/A	-	N/A	-	139
140		Joint facility - debit - switching	N/A	N/A	11,362	N/A	11,362	N/A	11,362	140
141		Joint facility - debit - other	N/A	N/A	-	N/A	-	N/A	-	141
142		Joint facility - (credit) - running	N/A	N/A	(6)	N/A	(6)	N/A	(6)	142
143		Joint facility - (credit) - switching	N/A	N/A	-	N/A	-	N/A	-	143
144		Joint facility - (credit) - other	N/A	N/A	-	N/A	-	N/A	-	144
145		Dismantling retired road property - running	279	-	-	-	279	N/A	279	145
146		Dismantling retired road property - switching	-	-	-	-	-	N/A	-	146
147		Dismantling retired road property - other	-	-	-	-	-	N/A	-	147
148		Other - running	1,928	3,385	5,146		10,459	N/A	10,459	148
149		Other - switching	16,197	213	1,435	815	18,660	N/A	18,660	149
150		Other - other	242	669	2,601	16	3,528	N/A	3,528	150
151		TOTAL WAY AND STRUCTURES	333,772	88,938	121,955	792,466	1,337,131	N/A	1,337,131	151
201		EQUIPMENT LOCOMOTIVES Administration	16,143	833	4,183	2,029	23,188	N/A	23,188	201
202	*	Repair & maintenance	32,421	84,273	228,465	(11,007)	334,152	N/A	334,152	202
203	*	Machinery repair	937	1,089	136	-	2,162	N/A	2,162	203
204		Equipment damaged	-	-	654	-	654	N/A	654	204
205		Fringe benefits	N/A	N/A	N/A	43,187	43,187	N/A	43,187	205
206		Other casualties & insurance	N/A	N/A	N/A	948	948	N/A	948	206
207	*	Lease rentals - debit	N/A	N/A	15,826	N/A	15,826	N/A	15,826	207
208	*	Lease rentals - (credit)	N/A	N/A	-	N/A	-	N/A	-	208
209		Joint facility rent - debit	N/A	N/A	-	N/A	-	N/A	-	209
210		Joint facility rent - (credit)	N/A	N/A	-	N/A	-	N/A	-	210
211	*	Other rents - debit	N/A	N/A	-	N/A	-	N/A	-	211
212	*	Other rents - (credit)	N/A	N/A	-	N/A	-	N/A	-	212
213	*	Depreciation	N/A	N/A	N/A	136,460	136,460	N/A	136,460	213
214		Joint facility - debit	N/A	N/A	-	N/A	-	N/A	-	214
215		Joint facility - (credit)	N/A	N/A	-	N/A	-	N/A	-	215
216	*	Repairs billed to others - (credit)	N/A	N/A	-	N/A	-	N/A	-	216

410. RAILWAY OPERATING EXPENSES (Continued)

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
217		LOCOMOTIVES - Continued Dismantling retired property	-	-	-	-	-	N/A	-	217
218		Other	-	356	1,974	-	2,330	N/A	2,330	218
219		TOTAL LOCOMOTIVES	49,501	86,551	251,238	171,617	558,907	N/A	558,907	219
220		FREIGHT CARS Administration	9,590	(1,057)	3,014	5,903	17,450	N/A	17,450	220
221	*	Repair & maintenance	55,574	93,873	38,885	4,831	193,163	N/A	193,163	221
222	*	Machinery repair	141	246	2,755	-	3,142	N/A	3,142	222
223		Equipment damaged	-	-	10,322	-	10,322	N/A	10,322	223
224		Fringe benefits	N/A	N/A	N/A	29,418	29,418	N/A	29,418	224
225		Other casualties & insurance	N/A	N/A	N/A	8,667	8,667	N/A	8,667	225
226	*	Lease rentals - debit	N/A	N/A	24,879	N/A	24,879	N/A	24,879	226
227	*	Lease rentals - (credit)	N/A	N/A	-	N/A	-	N/A	-	227
228		Joint facility rent - debit	N/A	N/A	-	N/A	-	N/A	-	228
229		Joint facility rent - (credit)	N/A	N/A	-	N/A	-	N/A	-	229
230	*	Other rents - debit	N/A	N/A	251,126	N/A	251,126	N/A	251,126	230
231	*	Other rents - (credit)	N/A	N/A	(9,358)	N/A	(9,358)	N/A	(9,358)	231
232	*	Depreciation	N/A	N/A	N/A	89,773	89,773	N/A	89,773	232
233		Joint facility - debit	N/A	N/A	-	N/A	-	N/A	-	233
234		Joint facility - (credit)	N/A	N/A	-	N/A	-	N/A	-	234
235	*	Repairs billed to others - (credit)	N/A	N/A	(111,088)	N/A	(111,088)	N/A	(111,088)	235
236		Dismantling retired property	-	-	-	-	-	N/A	-	236
237		Other	-	155	2,549	-	2,704	N/A	2,704	237
238		TOTAL FREIGHT CARS	65,305	93,217	213,084	138,592	510,198	N/A	510,198	238
301		OTHER EQUIPMENT Administration	-	52	467	1,906	2,425	N/A	2,425	301
302	*	Repair & maintenance: Trucks, trailers, & containers - revenue service	-	-	4	-	4	N/A	4	302
303	*	Floating equipment - revenue service	-	-	-	-	-	N/A	-	303
304	*	Passenger & other revenue equipment	-	-	-	-	-	N/A	-	304
305	*	Computers and data processing equipment	-	-	-	-	-	N/A	-	305
306	*	Machinery	43	508	197	-	748	N/A	748	306
307	*	Work & other non-revenue equipment	151	77	37,547	31	37,806	N/A	37,806	307
308		Equipment damaged	-	-	-	-	-	N/A	-	308
309		Fringe benefits	N/A	N/A	N/A	131	131	N/A	131	309
310		Other casualties & insurance	N/A	N/A	N/A	2,612	2,612	N/A	2,612	310
311	*	Lease rentals - debit	N/A	N/A	11,478	N/A	11,478	N/A	11,478	311
312	*	Lease rentals - (credit)	N/A	N/A	(1,506)	N/A	(1,506)	N/A	(1,506)	312

410. RAILWAY OPERATING EXPENSES (Continued)										
(Dollars in Thousands)										
Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
313		OTHER EQUIPMENT - Continued								
313		Joint facility rent - debit	N/A	N/A	-	N/A	-	N/A	-	313
314		Joint facility rent - (credit)	N/A	N/A	-	N/A	-	N/A	-	314
315	*	Other rents - debit	N/A	N/A	7,011	N/A	7,011	N/A	7,011	315
316	*	Other rents - (credit)	N/A	N/A	-	N/A	-	N/A	-	316
317	*	Depreciation	N/A	N/A	N/A	19,068	19,068	N/A	19,068	317
318		Joint facility - debit	N/A	N/A	-	N/A	-	N/A	-	318
319		Joint facility - (credit)	N/A	N/A	-	N/A	-	N/A	-	319
320	*	Repairs billed to others - (credit)	N/A	N/A	-	N/A	-	N/A	-	320
321		Dismantling retired property	-	-	-	-	-	N/A	-	321
322		Other	-	155	1,400	-	1,555	N/A	1,555	322
323		TOTAL OTHER EQUIPMENT	194	792	56,598	23,748	81,332	N/A	81,332	323
324		TOTAL EQUIPMENT	115,000	180,560	520,920	333,957	1,150,437	N/A	1,150,437	324
401		TRANSPORTATION TRAIN OPERATIONS								
401		Administration	61,534	729	6,967	19,897	89,127	N/A	89,127	401
402		Engine crews	177,254	2	690	285	178,231	N/A	178,231	402
403		Train crews	350,308	505	1,005	72,238	424,056	N/A	424,056	403
404		Dispatching trains	50,592	101	7,780	1,799	60,272	N/A	60,272	404
405		Operating signals & interlockers	879	260	2,333	8	3,480	N/A	3,480	405
406		Operating drawbridges	3,455	-	1	52	3,508	N/A	3,508	406
407		Highway crossing protection	4	52	2,190	-	2,246	N/A	2,246	407
408		Train inspection & lubrication	51,370	7,961	947	575	60,853	N/A	60,853	408
409		Locomotive fuel	-	701,545	-	-	701,545	N/A	701,545	409
410		Electric power produced or purchased for motive power	-	-	-	-	-	N/A	-	410
411		Servicing locomotives	38,997	1,701	934	1,833	43,465	N/A	43,465	411
412		Freight lost or damaged - solely related	N/A	N/A	N/A	-	-	N/A	-	412
413		Clearing wrecks	252	-	8,010	-	8,262	N/A	8,262	413
414		Fringe benefits	N/A	N/A	N/A	297,991	297,991	N/A	297,991	414
415		Other casualties & insurance	N/A	N/A	N/A	5,950	5,950	N/A	5,950	415
416		Joint facility - debit	N/A	N/A	67,237	N/A	67,237	N/A	67,237	416
417		Joint facility - (credit)	N/A	N/A	-	N/A	-	N/A	-	417
418		Other	9,854	978	4,033	687	15,552	N/A	15,552	418
419		TOTAL TRAIN OPERATIONS	744,499	713,834	102,127	401,315	1,961,775	N/A	1,961,775	419
420		YARD OPERATIONS								
420		Administration	9,505	1,367	2,791	5,132	18,795	N/A	18,795	420
421		Switch crews	152,416	834	1,117	12,759	167,126	N/A	167,126	421

410. RAILWAY OPERATING EXPENSES (Continued)

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
		YARD OPERATIONS - Continued								
422		Controlling operations	38,329	103	1,867	2,620	42,919	N/A	42,919	422
423		Yard and terminal clerical	23,796	51	625	888	25,360	N/A	25,360	423
424		Operating switches, signals, retarders, & humps	2,282	265	3,197	187	5,931	N/A	5,931	424
425		Locomotive fuel	-	76,652	-	-	76,652	N/A	76,652	425
426		Electric power produced or purchased for motive power	-	-	-	-	-	N/A	-	426
427		Servicing locomotives	2,240	4	3	39	2,286	N/A	2,286	427
428		Freight lost or damaged - solely related	N/A	N/A	N/A	-	-	N/A	-	428
429		Clearing wrecks	164	-	6,786	-	6,950	N/A	6,950	429
430		Fringe benefits	N/A	N/A	N/A	94,410	94,410	N/A	94,410	430
431		Other casualties & insurance	N/A	N/A	N/A	1,183	1,183	N/A	1,183	431
432		Joint facility - debit	N/A	N/A	41,837	N/A	41,837	N/A	41,837	432
433		Joint facility - (credit)	N/A	N/A	(48,241)	N/A	(48,241)	N/A	(48,241)	433
434		Other	4,262	529	9,326	841	14,958	N/A	14,958	434
435		TOTAL YARD OPERATIONS	232,994	79,805	19,308	118,059	450,166	N/A	450,166	435
		TRAIN AND YARD OPERATIONS COMMON:								
501		Cleaning car interiors	-		5,143	N/A	5,143	N/A	5,143	501
502		Adjusting & transferring loads	7	140	9,061	N/A	9,208	N/A	9,208	502
503		Car loading devices & grain docks	-	1,117	-	N/A	1,117	N/A	1,117	503
504		Freight lost or damaged - all other	N/A	N/A	N/A	5,030	5,030	N/A	5,030	504
505		Fringe benefits	N/A	N/A	N/A	-	-	N/A	-	505
506		TOTAL TRAIN AND YARD OPERATIONS COMMON	7	1,257	14,204	5,030	20,498	N/A	20,498	506
		SPECIALIZED SERVICE OPERATIONS								
507	*	Administration	-	-	-	-	-	N/A	-	507
508	*	Pickup & delivery and marine line haul	-	-	-	-	-	N/A	-	508
509	*	Loading & unloading and local marine	12,907	2,430	41,689	216	57,242	N/A	57,242	509
510	*	Protective services	-	-	-	-	-	N/A	-	510
511	*	Freight lost or damaged - solely related	N/A	N/A	N/A	-	-	N/A	-	511
512	*	Fringe benefits	N/A	N/A	N/A	6,853	6,853	N/A	6,853	512
513	*	Casualties & insurance	N/A	N/A	N/A	-	-	N/A	-	513
514	*	Joint facility - debit	N/A	N/A	7,217	N/A	7,217	N/A	7,217	514
515	*	Joint facility - (credit)	N/A	N/A	-	N/A	-	N/A	-	515
516	*	Other	-	-	-	-	-	N/A	-	516
517	*	TOTAL SPECIALIZED SERVICES OPERATIONS	12,907	2,430	48,906	7,069	71,312	N/A	71,312	517

410. RAILWAY OPERATING EXPENSES (Continued)										
(Dollars in Thousands)										
Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
518		ADMINISTRATIVE SUPPORT OPERATIONS:								
518		Administration	16,287	2,823	1,766	10,024	30,900	N/A	30,900	518
519		Employees performing clerical & accounting functions	25,260	68	1,170	1,480	27,978	N/A	27,978	519
520		Communication systems operations	679	-	-	-	679	N/A	679	520
521		Loss & damage claims processing	-	-	1,226	-	1,226	N/A	1,226	521
522		Fringe benefits	N/A	N/A	N/A	50,555	50,555	N/A	50,555	522
523		Casualties & insurance	N/A	N/A	N/A	(950)	(950)	N/A	(950)	523
524		Joint facility - debit	N/A	N/A	-	N/A	-	N/A	-	524
525		Joint facility - (credit)	N/A	N/A	-	N/A	-	N/A	-	525
526		Other	-	155	3,898	11,468	15,521	N/A	15,521	526
527		TOTAL ADMINISTRATIVE SUPPORT OPERATIONS	42,226	3,046	8,060	72,577	125,909	N/A	125,909	527
528		TOTAL TRANSPORTATION	1,032,633	800,372	192,605	604,050	2,629,660	N/A	2,629,660	528
601		GENERAL AND ADMINISTRATIVE								
601		Officers - general administration	12,821	2,981	8,920	70,383	95,105	N/A	95,105	601
602		Accounting, auditing, & finance	12,966	17	2,567	77,014	92,564	N/A	92,564	602
603		Management services & data processing	982	608	139,493	727	141,810	N/A	141,810	603
604		Marketing	16,248	1	10,418	35,559	62,226	N/A	62,226	604
605		Sales	17,740	1	362	2,746	20,849	N/A	20,849	605
606		Industrial development	-	-	2	-	2	N/A	2	606
607		Personnel & labor relations	15,284	130	317	46,693	62,424	N/A	62,424	607
608		Legal & secretarial	11,291	81	106,659	104,420	222,451	N/A	222,451	608
609		Public relations & advertising	2,471	-	1,799	90,329	94,599	N/A	94,599	609
610		Research & development	-	-	-	-	-	N/A	-	610
611		Fringe benefits	N/A	N/A	N/A	161,934	161,934	N/A	161,934	611
612		Casualties & insurance	N/A	N/A	N/A	(714)	(714)	N/A	(714)	612
613		Write-down of uncollectible accounts	N/A	N/A	N/A	(12,019)	(12,019)	N/A	(12,019)	613
614		Property taxes	N/A	N/A	N/A	97,236	97,236	N/A	97,236	614
615		Other taxes except on corporate income or payroll	N/A	N/A	N/A	36,102	36,102	N/A	36,102	615
616		Joint facility - debit	N/A	N/A	17,541	N/A	17,541	N/A	17,541	616
617		Joint facility - (credit)	N/A	N/A	-	N/A	-	N/A	-	617
618		Other	55,188	22,114	34,956	55,980	168,238	N/A	168,238	618
619		TOTAL GENERAL AND ADMINISTRATIVE	144,991	25,933	323,034	766,390	1,260,348	N/A	1,260,348	619
620	*	TOTAL CARRIER OPERATING EXPENSES	1,626,396	1,095,803	1,158,514	2,496,863	6,377,576	N/A	6,377,576	620

412. WAY AND STRUCTURES

(Dollars in Thousands)

- Report freight expenses only.
- The total depreciation expense reported in column (b), line 29, should balance to the sum of the depreciation expense reported in Schedule 410, column (f), lines 136, 137, and 138.
- Report in column (c) the lease/rentals for the various property categories of way and structures. The total lease/rentals reported in column (c), line 29, should balance the net amount reported in Schedule 410, column (f), lines 118 through 123, plus lines 130 through 135. If an entire road or segment of track is leased and if the actual breakdown of lease/rentals by property category is not known, apportion the lease/rentals based on the percentage of the categories' depreciation bases for all categories of depreciable leased property. Use Schedule 352B of this report to obtain the depreciation bases of the categories of leased property.
- Amortization adjustment of each road property type which is included in column (b) shall be repeated in column (d) as a debit or credit to the appropriate line item. The net adjustment on line 29 shall equal the adjustment reported on line 29 of Schedule 335.
- Report on line 28 all other lease rentals not apportioned in any category listed on lines 1 through 27.
- Line 11, Account 16, should not include computer and data processing equipment reported on line 37 of Schedule 415.

Line No.	Cross Check	Property Account	Category (a)	Depreciation (b)	Lease/rentals (net) (c)	Amortization adjustment during year (d)	Line No.
1		2	Land for transportation purposes	N/A		N/A	1
2		3	Grading	33,999		(259)	2
3		4	Other right-of-way expenditures	115		(19)	3
4		5	Tunnels and subways	1,833		30	4
5		6	Bridges, trestles and culverts	31,792		1,878	5
6		7	Elevated structures	-		-	6
7		8	Ties	191,854		12,893	7
8		9	Rail and other track material	171,617		9,816	8
9		11	Ballast	56,848		(2,466)	9
10		13	Fences, snowsheds and signs	253		(90)	10
11		16	Station and office buildings	16,583		(1,408)	11
12		17	Roadway buildings	709		(24)	12
13		18	Water stations	-		-	13
14		19	Fuel stations	2,709		(268)	14
15		20	Shops and enginehouses	8,160		(1,048)	15
16		22	Storage warehouses	-		-	16
17		23	Wharves and docks	182		40	17
18		24	Coal and ore wharves	1,932		(1,577)	18
19		25	TOFC/COFC terminals	2,731		(14)	19
20		26	Communications systems	15,131		(8,334)	20
21		27	Signals and interlockers	54,762		1,640	21
22		29	Power plants	137		23	22
23		31	Power transmission systems	756		(34)	23
24		35	Miscellaneous structures	12		-	24
25		37	Roadway machines	15,940		(209)	25
26		39	Public improvements: construction	10,113		557	26
27		45	Power plant machines	620		(83)	27
28		--	Other lease/rentals	N/A	(253)	N/A	28
29			TOTAL	618,788	(253)	11,044	29

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

(Dollars in Thousands)

- Report freight expenses only.
- Report in this supporting schedule rental information by car type and other freight-carrying equipment relating to the interchange of railroad owned or leased equipment and privately owned equipment. (Reporting for leased equipment covers equipment with the carrier's own railroad markings).
- The gross amounts receivable and payable for freight-train cars (line 19, columns (b) through (d), and line 19, columns (e) through (g), respectively) should balance with Schedule 410, column (f), lines 231 (credits) and 230 (debits). Trailer and container rentals in this schedule are included in Schedule 410, column (f), lines 315 and 316. However, the trailer and container rentals in this schedule will not balance to lines 315 and 316 of Schedule 410 because those lines include rents for "Other Equipment" which is reported in Schedule 415, column (e). The balancing of Schedules 410, 414, and 415 "Other Equipment" is outlined in note 6 to Schedule 415.
- Report in columns (b) and (e) rentals for private-line cars (whether under railroad control or not) and shipper owned cars.
- Report in columns (c), (d), (f), and (g) rentals for railroad owned cars prescribed by the Board in Ex Parte no. 334, for which rentals are settled on a combination mileage and time basis (basic per diem). Include railroad owned per diem tank cars on line 17.

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

Line No.	Cross Check	Type of Equipment	GROSS AMOUNTS RECEIVABLE			GROSS AMOUNTS PAYABLE			Line No.
			Per Diem Basis			Per Diem Basis			
		Private Line Cars (b)	Mileage (c)	Time (d)	Private Line Cars (e)	Mileage (f)	Time (g)		
		(a)							
CAR TYPES									
1		Box - Plain 40 Foot	-	-	-	-	-	-	1
2		Box - Plain 50 Foot and Longer	-	3	(35)	12,013	800	2,938	2
3		Box - Equipped	-	2,978	8,780	8,784	12,163	36,203	3
4		Gondola - Plain	-	160	378	13,032	515	1,222	4
5		Gondola - Equipped	-	1,200	3,714	5,566	2,336	6,312	5
6		Hopper - Covered	-	893	4,861	5,419	4,825	13,995	6
7		Hopper - Open Top - General Service	-	108	652	1,074	876	3,219	7
8		Hopper - Open Top - Special Service	-	73	1,408	596	906	1,305	8
9		Refrigerator - Mechanical	-	-	(9)	(3)	3,482	5,512	9
10		Refrigerator - Nonmechanical	-	37	118	1	1,246	2,873	10
11		Flat - TOFC/COFC	-	-	-	-	-	-	11
12		Flat - Multi-Level	(22,263)	62	163	27,610	2,765	18,106	12
13		Flat - General Service	-	-	(1)	41	25	67	13
14		Flat - Other	-	27	(26)	25,998	3,529	9,400	14
15		Tank - Under 22,000 Gallons	-	-	(1)	1,563	-	-	15
16		Tank - 22,000 Gallons and Over	-	-	-	5,197	-	-	16
17		All Other Freight Cars	-	-	(1)	(45)	24	49	17
18		Auto Racks	-	-	6,079	432	-	9,155	18
19		TOTAL FREIGHT TRAIN CARS	(22,263)	5,541	26,080	107,278	33,492	110,356	19
OTHER FREIGHT-CARRYING EQUIPMENT									
20		Refrigerated Trailers	-	-	-	-	-	-	20
21		Other Trailers	-	-	-	-	-	-	21
22		Refrigerated Containers	-	-	-	-	-	-	22
23		Other Containers	-	-	-	-	-	-	23
24	*	TOTAL TRAILERS AND CONTAINERS	-	-	-	-	-	-	24
25		GRAND TOTAL (Lines 19 and 24)	(22,263)	5,541	26,080	107,278	33,492	110,356	25

NOTES AND REMARKS

GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE TO SCHEDULE 415

1. Report freight expenses only.
2. Report by type of equipment all natural expenses relating to the equipment functions (salaries and wages, materials, tools, supplies, fuels and lubricants, purchased services, and general).
3. Report in column (b) net repair expense, excluding the cost to repair damaged equipment.
Schedule 415, column (b) will balance to Schedule 410, column (f) as follows:
 - (a) Locomotives, line 5 plus line 38, compared to the sum of Schedule 410, lines 202, 203, and 216 (excluding wreck repairs). Do not report in Schedule 415, Equipment Damaged from Schedule 410, line 204.
 - (b) Freight cars, line 24 plus line 39, compared to the sum of Schedule 410, lines 221, 222, and 235 (excluding wreck repairs). Do not report in Schedule 415, Equipment Damaged from Schedule 410, line 223.
 - (c) Sum of highway equipment (line 32), floating equipment (line 35), passenger and other revenue equipment (line 36), computer and data processing equipment (line 37), machinery-other equipment (line 40), and work and other non-revenue equipment (line 41), compared to Schedule 410, the sum of lines 302 through 307, plus line 320 (excluding wreck repairs). Do not report in Schedule 415, equipment damaged from Schedule 410, line 308.

Note: Lines 216, 235, and 320 of Schedule 410 are credit amounts.

The allocation of freight car repair expenses reportable on Schedule 415 by car types shall be in accordance with Instruction 2-21, Freight train repair costing, 49 CFR 1201.

4. Depreciation expense for each class of equipment by car type shall be reported in columns (c) and (d). For improvements on leased property, Accounts 732 and 733, use a supplementary Schedule 415, which will relate to Schedules 340 and 342.

Depreciation charges reported on columns (c) and (d) will balance to Schedule 410, column (f) as follows:

- (a) Locomotives, lines 5 and 38, compared to Schedule 410, line 213.
 - (b) Freight cars, lines 24 and 39, compared to Schedule 410, line 232.
 - (c) Sum of highway equipment (line 32), floating equipment (line 35), passenger and other revenue equipment (line 36), computer and data processing equipment (line 37), machinery-other equipment (line 40), and work and other non-revenue equipment (line 41), compared to Schedule 410, line 317.
5. Amortization adjustment of each equipment type which is included in column (c) shall be reported in column (e) as a debit or credit to the appropriate line item. The net adjustment on line 43 shall equal the equipment amortization adjustment applicable to equipment used in freight service included in line 39, column (c), of Schedule 335.
6. Lease/rentals reported in column (f) should balance to column (f) of Schedule 410 as follows:
 - (a) Locomotives, lines 5 and 38, compared to Schedule 410, lines 207, 208, 211, and 212.
 - (b) Freight cars, lines 24 and 39, compared to Schedule 410, lines 226 and 227 (note that Schedule 410, lines 230 and 231, are reported in Schedule 414 and are not to be included in Schedule 415).
 - (c) Sum of lease/rentals for all other equipment, lines 32, 35, 36, 37, 40, and 41, will balance to Schedule 410, lines 311, 312, 315, and 316, except for the interchange rental on trailers and containers which is reported in Schedule 414. Therefore, both Schedules 414 and 415 should be used when balancing lease/rentals other equipment to Schedule 410. Do not report in Schedule 415 the trailer and container rentals reported in Schedule 414.
7. Investment base by types of equipment shall be reported in columns (g) and (h) and should not include the cost of equipment used but not owned when rents therefore are included in the rent for equipment and Account Nos. 31-21-00, 31-22-00, 31-23-00, 35-21-00, 35-22-00, and 35-23-00. It should include the cost of equipment owned and leased to others when the rents are included in the rent for Equipment Account Nos. 32-21-00, 32-22-00, 32-23-00, 36-21-00, 36-22-00, and 36-23-00.

Property used but not owned should also be included when the rent is included in Account Nos. 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.

The grand total of each equipment account in column (h) of Schedule 330 should equal the totals of line items constituting the equipment account totals of columns (g) and (h) of Schedule 415.

8. Accumulated depreciation for each class of equipment shall be reported in columns (i) and (j). The grand total of each equipment reserve account in column (g), Schedule 335, shall equal the combined aggregate total accumulated depreciation for line items constituting the corresponding equipment accounts reported in columns (i) and (j), on Schedule 415.

415. SUPPORTING SCHEDULE - EQUIPMENT							
(Dollars in Thousands)							
Line No.	Cross Check	Types of equipment (a)	Repairs (net expense) (b)	Depreciation		Amortization Adjustment net during year (e)	Line No.
				Owned (c)	Capitalized lease (d)		
		LOCOMOTIVES					
1		Diesel Locomotive - Yard	33,073	1,055	-	(182)	1
2		Diesel Locomotive - Road	301,079	130,845	1,844	(18,676)	2
3		Other Locomotive - Yard	-	-	-	-	3
4		Other Locomotive - Road	-	2,716	-	(461)	4
5	*	TOTAL LOCOMOTIVES	334,152	134,616	1,844	(19,319)	5
		FREIGHT TRAIN CARS					
6		Box - Plain 40 foot	-	-	-	-	6
7		Box - Plain 50 foot and Longer	9	-	241	(2)	7
8		Box - Equipped	10,776	9,448	1,365	(1,271)	8
9		Gondola - Plain	6,643	8,480	-	(3,133)	9
10		Gondola - Equipped	15,755	10,206	-	(2,380)	10
11		Hopper - Covered	20,556	10,098	-	(7,765)	11
12		Hopper - Open Top - General Service	10,689	11,240	288	(1,690)	12
13		Hopper - Open Top - Special Service	6,012	9,623	-	(871)	13
14		Refrigerator - Mechanical	65	934	-	(7)	14
15		Refrigerator - Nonmechanical	351	112	-	(42)	15
16		Flat - TOFC/COFC	198	617	-	(23)	16
17		Flat - Multi-level	450	892	-	-	17
18		Flat - General Service	-	-	-	(52)	18
19		Flat - Other	713	525	-	(83)	19
20		All Other Freight Cars	2	909	-	-	20
21		Cabooses	-	359	-	-	21
22		Auto Racks	9,856	19,946	520	-	22
23		Miscellaneous Accessories	-	-	-	-	23
24	*	TOTAL FREIGHT TRAIN CARS	82,075	83,389	2,414	(17,319)	24
		OTHER EQUIPMENT - REVENUE FREIGHT HIGHWAY EQUIPMENT					
25		Refrigerated Trailers	-	-	-	-	25
26		Other Trailers	-	-	-	-	26
27		Refrigerated Containers	-	-	-	-	27
28		Other Containers	-	-	-	-	28
29		Bogies	-	-	-	-	29
30		Chassis	-	-	-	-	30
31		Other Highway Equipment (Freight)	-	-	-	-	31
32	*	TOTAL HIGHWAY EQUIPMENT	-	-	-	-	32
		FLOATING EQUIPMENT - REVENUE SERVICE					
33		Marine Line-Haul	-	54	-	-	33
34		Local Marine	-	-	-	-	34
35	*	TOTAL FLOATING EQUIPMENT	-	54	-	-	35
		OTHER EQUIPMENT					
36	*	Passenger & Other Revenue Equipment (Freight Portion)	-	-	-	-	36
37	*	Computer Systems & Word Processing Equip.	-	1,800			37
38	*	Machinery - Locomotives (1)	2,162	2,583			38
39	*	Machinery - Freight Cars (2)	3,142	1,987			39
40	*	Machinery - Other Equipment (3)	752	398			40
41	*	Work and Other Nonrevenue Equipment	37,806	22,986		(7,613)	41
42		TOTAL OTHER EQUIPMENT	43,862	29,754	-	(7,613)	42
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)	460,089	247,813	4,258	(44,251)	43
(1) Data reported on line 38, column (b) is the amount reported in Sched. 410, column (f), line 203, reduced by the allocable portion of line 216.							
(2) Data reported on line 39, column (b) is the amount reported in Sched. 410, column (f), line 222, reduced by the allocable portion of line 235.							
(3) Data reported on line 40, column (b) is the amount reported in Sched. 410, column (f), lines 302 through 306, reduced by the allocable portion of line 320.							

Road Initials: CSXT Year: 2009

57

415. SUPPORTING SCHEDULE - EQUIPMENT - (Continued)

Line No.	Cross Check	Lease & rentals (net) (f)	Investment base as of 12/31		Accumulated depreciation as of 12/31		Line No.
			Owned (g)	Capitalized lease (h)	Owned (i)	Capitalized lease (j)	
1		644	35,865	-	11,641		1
2		15,182	4,216,356	14,184	1,368,576	7,328	2
3		-	-	-	-		3
4		-	91,220	-	29,609		4
5	*	15,826	4,343,441	14,184	1,409,826	7,328	5
6		-	-	-	-	-	6
7		-	314	30,074	102	4,849	7
8		2	307,570	3,155	99,651	509	8
9		1,826	293,423	-	95,068	-	9
10		4,501	383,284	-	124,182	-	10
11		3,419	356,247	-	115,439	-	11
12		11,155	301,282	-	97,614	-	12
13		2,428	319,883	-	103,624	-	13
14		1,252	28,818	-	9,337	-	14
15		10	3,144	-	1,019	-	15
16		60	14,409	-	4,667	-	16
17		32	23,055	-	7,470	-	17
18		-	-	-	-	-	18
19		75	18,863	-	6,111	-	19
20		119	30,652	-	9,931	-	20
21		-	8,645	-	2,801	-	21
22		-	530,257	18,963	171,801	2,361	22
23		-	-	-	-	-	23
24	*	24,879	2,619,846	52,192	848,817	7,719	24
25		-	-	-	-	-	25
26		-	-	-	(5,840)	-	26
27		-	-	-	-	-	27
28		-	-	-	-	-	28
29		-	-	-	-	-	29
30		-	-	-	-	-	30
31		-	-	-	-	-	31
32	*	-	-	-	(5,840)	-	32
33		-	1,926	-	139	-	33
34		-	-	-	-	-	34
35	*	-	1,926	-	139	-	35
36	*		621	-	-	-	36
37	*	(1,326)	17,070	-	18,978	-	37
38	*	-	60,492	-	28,109	-	38
39	*	-	46,534	-	21,623	-	39
40	*	6,994	9,307	-	4,324	-	40
41	*	11,315	422,170	-	154,091	-	41
42		16,983	556,194	-	227,125	-	42
43		57,688	7,521,407	66,376	2,480,067	15,047	43

(1) Data reported on lines 38, 39, and 40 in columns (g) and (h) are investment recorded in property account 44, allocated to locomotives, freight cars, and other equipment.

(2) Depreciation reported on lines 38, 39, and 40 in column (c) is calculated by multiplying the investment in each element by the effective composite rate for property account 44, and then adding or subtracting the adjustment reported in column (e). This calculation should equal the amount shown in column (c), Schedule 335.

416. SUPPORTING SCHEDULE - ROAD

(Dollars in Thousands)

Line No.	Density Category (Class)	Account No.	Owned and Used			Improvements to Leased Property			Capitalized Leases			TOTAL		Line No.
			Investment Base (c)	Accumulated Depreciation (d)	Depr. Rate % (e)	Investment Base (f)	Accumulated Depreciation (g)	Depr. Rate % (h)	Investment Base (i)	Current Year Amortization (j)	Accumulated Amortization (k)	Investment Base (l)	Accumulated Depreciation & Amortization (m)	
1	I	3	1,272,800	163,595	1.25	22,182	2,851	1.25	-	-	-	1,294,982	166,446	1
2		8	1,504,039	453,914	3.43	106,871	32,253	3.43	-	-	-	1,610,910	486,167	2
3		9	3,112,302	623,364	2.68	103,967	20,824	2.68	-	-	-	3,216,269	644,188	3
4		11	1,809,047	428,592	2.50	38,036	9,011	2.50	-	-	-	1,847,083	437,603	4
5	SUB TOTAL		7,698,188	1,669,465		271,056	64,939		-	-	-	7,969,244	1,734,404	5
6	II	3	728,750	93,667	1.25	-	-	-	-	-	-	728,750	93,667	6
7		8	1,564,737	472,232	3.43	-	-	-	-	-	-	1,564,737	472,232	7
8		9	1,580,042	316,467	2.68	-	-	-	-	-	-	1,580,042	316,467	8
9		11	380,422	90,128	2.50	-	-	-	-	-	-	380,422	90,128	9
10	SUB TOTAL		4,253,951	972,494		-	-	-	-	-	-	4,253,951	972,494	10
11	III	3	-	N/A	N/A	-	N/A	N/A	-	N/A	N/A	-	N/A	11
12		8	-	N/A	N/A	-	N/A	N/A	-	N/A	N/A	-	N/A	12
13		9	-	N/A	N/A	-	N/A	N/A	-	N/A	N/A	-	N/A	13
14		11	-	N/A	N/A	-	N/A	N/A	-	N/A	N/A	-	N/A	14
15	SUB TOTAL		-	N/A	N/A	-	N/A	N/A	-	N/A	N/A	-	N/A	15
16	IV	3	329,117	42,303	1.25	-	-	-	-	-	-	329,117	42,303	16
17		8	502,338	151,604	3.43	-	-	-	-	-	-	502,338	151,604	17
18		9	780,152	156,257	2.68	-	-	-	-	-	-	780,152	156,257	18
19		11	51,453	12,190	2.50	-	-	-	-	-	-	51,453	12,190	19
20	SUB TOTAL		1,663,060	362,354		-	-	-	-	-	-	1,663,060	362,354	20
21	V	3	-	-	-	-	-	-	-	-	-	-	-	21
22		8	-	-	-	-	-	-	-	-	-	-	-	22
23		9	-	-	-	-	-	-	-	-	-	-	-	23
24		11	-	-	-	-	-	-	-	-	-	-	-	24
25	SUB TOTAL		-	-	-	-	-	-	-	-	-	-	-	25
26	GRAND TOTAL		13,615,199	3,004,313	N/A	271,056	64,939	N/A	-	-	-	13,886,255	3,069,252	26

Notes:

- (1) Columns (c) + (f) + (i) = Column (l).
- (2) Columns (d) + (g) + (k) = Column (m).
- (3) The base grand total for owned and used, improvements to leased property, and capitalized leases should equal the sum of Accounts 3, 8, 9, and 11 shown at year end on Schedule 330.

NOTES AND REMARKS

417. SPECIALIZED SERVICE SUBSCHEDULE - TRANSPORTATION

(Dollars in Thousands)

- Report freight expenses only.
- Report in lines 1, 2, 3, 4, and 10 the total of those natural expenses (salaries and wages, material, tools, supplies, fuels and lubricants, purchased services and general) incurred in the operation of each type of specialized service facility. This schedule does not include switching services performed by train and yard crews in connection with or within specialized service facilities.
- When it is necessary to apportion expenses, such as administrative expenses to two or more services, they shall be apportioned on the most equitable basis available to the respondent and only to the services they support. The total expenses in column (j) should balance with the respective line items in Schedule 410. Railway Operating Expenses.
- Report in column (b), line 2, the expenses incurred in highway movements of trailers and containers performed at the expense of the reporting railroad within a terminal area for the purpose of pick-up, delivery or highway interchange service. Report in column (b), line 3, the expenses incurred in operating facilities for handling trailers and/or containers, including storage expenses. See schedule 755, note R.
- The operation of floating equipment in line-haul service (between distinct terminals) should be reported in column (c) on line 2. Floating operations conducted within a general terminal or harbor area should be reported in column (c), line 3.
- Report in column (g), line 3, the expenses incurred by the railroad in loading and unloading automobiles, trucks, etc., to and from bi-level and tri-level auto rack cars. Report on line 2, column (g), the expense incurred by the railroad in moving automobiles, etc., between bi-level and tri-level loading and unloading facilities over the highway to shippers, receivers or connecting carriers. Report in column (f) operating expenses for land facilities in support of floating operations, including the operation of docks and wharves.
- Report on line 4, column (b), the expenses related to heating and refrigeration of TOFC/COFC trailers and containers (total debits and credits). The expenses on line 4, column (h) relate to refrigerator cars only.
- Report in column (i) total expenses incurred in performing rail substitute service, other highway revenue service, LCL terminal operations, warehouse operations, freight car transloading, grain elevator terminal operations and livestock feeding operations only.

Line No.	Cross Check	Items (a)	TOFC/COFC terminal (b)	Floating equipment (c)	Coal marine terminal (d)	Ore marine terminal (e)	Other marine terminal (f)	Motor vehicle load & distribution (g)	Protective services refrigerator car (h)	Other special services (i)	Total columns (b) - (i) (j)	Line No.
1	*	Administration	-	-	-	-	-	-	-	-	-	1
2	*	Pick up and delivery, marine line haul	-	-	-	-	-	-	-	-	-	2
3	*	Loading and unloading and local marine	-	-	10,834	2,522	1,679	38,080	-	4,127	57,242	3
4	*	Protective services, total debits and credits	-	-	-	-	-	-	-	-	-	4
5	*	Freight lost or damaged - solely related	-	-	-	-	-	-	-	-	-	5
6	*	Fringe benefits	-	-	4,018	652	664	26	-	1,493	6,853	6
7	*	Casualty and insurance	-	-	-	-	-	-	-	-	-	7
8	*	Joint facility - Debit	-	-	-	-	-	-	-	7,217	7,217	8
9	*	Joint facility - Credit	()	()	()	()	()	()	()	()	()	9
10	*	Other	-	-	-	-	-	-	-	-	-	10
11	*	TOTAL	-	-	14,852	3,174	2,343	38,106	-	12,837	71,312	11

Road Initials: CSXT Year: 2009

(Dollars in Thousands)

This schedule will show the investment in capitalized leases in road and equipment by primary account.

(a) = primary account number and title for which capital lease amounts are included therein.

(c) = the investment in capital leases at the end of the year.

(e) = the accumulated amortization relating to the leased properties.

[illegible]

NOTES AND REMARKS

Property Schedules Reconciliations:

Schedule 335, Line 29, column c	\$ 11,455
Less R&E 44 life study	(411)
Schedule 412, Line 29, column d	<u>\$ 11,044</u> ¹
Schedule 410, Line 136, column h	\$ 416,762
Schedule 410, Line 138, column h	210,559
Less R&E 44	(6,733)
Less R&E 59	(1,800)
Schedule 412, Line 29, column b	<u>\$ 618,788</u> ²
Schedule 415, Line 5, column c	\$ 134,616
Schedule 415, Line 5, column d	1,844
Schedule 415, Line 38, column c	2,583
Less R&E 44	(2,583)
Schedule 410, Line 213, column h	<u>\$ 136,460</u> ³
Schedule 415, Line 24, column c	\$ 83,389
Schedule 415, Line 24, column d	2,414
Schedule 415, Line 39, column c	1,987
Plus R&E 44	1,983
Schedule 410, Line 232, column h	<u>\$ 89,773</u> ³
Schedule 415, Line 35, column c	\$ 54
Schedule 415, Line 37, column c	1,800
Schedule 415, Line 40, column c	398
Schedule 415, Line 41, column c	22,986
Less R&E 44	(398)
Less R&E 56	(54)
Less R&E 57	(3,918)
Less R&E 59	(1,800)
Schedule 410, Line 317, column h	<u>\$ 19,068</u> ³

¹ The total amortization expense reported in Schedule 335, line 29, column (c) includes amortization for all road accounts, including R&E 44. However, as no line has been provided for R&E 44 in Schedule 412, amounts relating to R&E 44 are reconciling items between the two schedules.

² The total depreciation expense reported in Schedule 412, line 29, column (b) includes depreciation for all road accounts, including R&E 44 and R&E 59. However, as no lines are provided for R&E 44 and R&E 59 in Schedule 410, amounts relating to R&E 44 and R&E 59 are reconciling items between the two schedules.

³ The total depreciation expense reported in Schedule 410, column (h), lines 213, 232, and 317 include equipment accounts only, properly excluding the road accounts for R&E 44, E&E 56, R&E 57 and R&E 59. However, as the Schedule 415 includes portions of R&E 44, R&E 57 and R&E 59, amounts relating to those R&E lines are reconciling items between the two schedules.

450. ANALYSIS OF TAXES
(Dollars in Thousands)

A. Railway Taxes

Line No.	Cross Check	Kind of Tax	Amount	Line No.
1		Other than U.S. Government Taxes	182,082	1
		U.S. Government Taxes		
		Income Taxes		
2		Normal Tax and Surtax	246,579	2
3		Excess Profits	-	3
4	*	Total - Income Taxes (Lines 2 and 3)	246,579	4
5		Railroad Retirement	344,437	5
6		Hospital Insurance	29,601	6
7		Supplemental Annuities	-	7
8		Unemployment Insurance	14,955	8
9		All Other United States Taxes	-	9
10		Total - U.S. Government Taxes	635,572	10
11		Total - Railway Taxes	817,654	11

B. Adjustments to Federal Income Taxes

1. In column (a) are listed the particulars which most often cause a differential between taxable income and pretax accounting income. Other particulars which cause such a differential should be listed under the caption "Other (Specify)," including state and other taxes deferred if computed separately. Minor items, each less than \$100,000, may be combined in a single entry under "Other (Specify)."
2. Indicate in column (b) the beginning of year totals of Accounts 714, 744, 762, and 786 applicable to each particular item in column (a).
3. Indicate in column (c) the net change in Accounts 714, 744, 762, and 786 for the net tax effect of timing differences originating and reversing in the current accounting period.
4. Indicate in column (d) any adjustments, as appropriate, including adjustments to eliminate or reinstate deferred tax effects (credits or debits) due to applying or recognizing a loss carry-forward or loss carry-back.
5. The total of line 19 in columns (c) and (d) should agree with the total of the contra charges (credits) to Account 557, Provision for Deferred Taxes, and Account 591, Provision for Deferred Taxes - Extraordinary Items, for the current year.
6. Indicate in column (e) the cumulative total of columns (b), (c), and (d). The total of column (e) must agree with the total of Accounts 714, 744, 762, and 786.

Line No.	Particulars (a)	Beginning of year balance (b)	Net credits (charges) for current year (c)	Adjustments (d)	End of year balance (e)	Line No.
1	Accelerated depreciation, Sec. 167 I.R.C.: Guideline lives pursuant to Rev. Proc. 62-21.	6,350,546	245,070	-	6,595,616	1
2	Accelerated amortization of facilities, Sec. 168 IRC	-	-	-	-	2
3	Accelerated amortization of rolling stock, Sec. 184 IRC	-	-	-	-	3
4	Amortization of rights of way, Sec 185 IRC	(80,407)	2,233	-	(78,174)	4
5	Other (Specify)	-	-	-	-	5
6	Claims and contingency reserves	(176,596)	34,986	-	(141,610)	6
7	Reserve for separation pay	(30,450)	4,867	-	(25,583)	7
8	Postretirement medical benefits	(111,999)	(28,786)	-	(140,785)	8
9	Other temporary differences	(84,931)	80,423	(12,278)	(16,786)	9
10	Federal effect of state	(267,054)	(783)	404	(267,433)	10
11	State deferred income taxes	763,013	2,235	(1,154)	764,094	11
12						12
13						13
14						14
15						15
16						16
17						17
18	Investment tax credit*	-	-	-	-	18
19	TOTALS	6,362,122	340,245	(13,028)	6,689,339	19

450. ANALYSIS OF TAXES - Continued

(Dollars in Thousands)

***Footnotes:**

1. If the flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit.	NONE
If the deferral method for investment tax credit was elected:	
(1) Indicate amount of credit utilized as a reduction of tax liability for current year	N/A
(2) Deduct amount of current year's credit applied to reduction of tax liability but deferred for accounting purposes	N/A
(3) Balance of current year's credit used to reduce current year's tax accrual	N/A
(4) Add amount of prior year's deferred credits being amortized to reduce current year's tax accrual	N/A
(5) Total decrease in current year's tax accrual resulting from use of investment tax credits	N/A
2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made.	-

450. ANALYSIS OF TAXES - Continued

(Dollars in Thousands)

***Footnotes:**

1. If the flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit.	NONE
If the deferral method for investment tax credit was elected:	
(1) Indicate amount of credit utilized as a reduction of tax liability for current year	N/A
(2) Deduct amount of current year's credit applied to reduction of tax liability but deferred for accounting purposes	N/A
(3) Balance of current year's credit used to reduce current year's tax accrual	N/A
(4) Add amount of prior year's deferred credits being amortized to reduce current year's tax accrual	N/A
(5) Total decrease in current year's tax accrual resulting from use of investment tax credits	N/A
2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made.	-

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

(Dollars in Thousands)

Give a brief description for all items, regardless of amount, included during the year in Accounts 555, Unusual or Infrequent Items; 560, Income or Loss From Operations of Discontinued Segments; 562, Gain or Loss on Disposal of Discontinued Segments; 570, Extraordinary Items; 590, Income Taxes on Extraordinary Items; 592, Cumulative Effect of Changes in Accounting Principles; 603, Appropriations Released; 606, Other Credits to Retained Earnings; 616, Other Debits to Retained Earnings; 620, Appropriations for Sinking Funds; and 621, Appropriations for Other Purposes. If appropriations released reflect appropriations provided during the year, each account should not be reported.

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

Line No.	Account No. (a)	Item (b)	Debits (c)	Credits (c)	Line No.
1	606	Unrealized gain on marketable securities		644	1
2	606	Other		(172)	2
3		Total 606		472	3
4	616	Pension adjustments	5,802		4
5	616	Other postretirement benefit adjustments	30,862		5
6	616	Other	46		6
7		Total 616	36,710		7
8					8
9					9
10					10
11					11
12					12
13					13
14					14
15					15
16					16
17					17
18					18
19					19
20					20
21					21
22					22
23					23
24					24
25					25
26					26
27					27
28					28
29					29
30					30

MEMORANDA RELATING TO SELECTED INCOME AND RETAINED EARNINGS ACCOUNTS

501. GUARANTEES AND SURETYSHIPS
(Dollars in Thousands)

1. If the respondent was under obligation as guarantor or surety for the performance by any other corporation or association of any agreement or obligation, show the particulars of each contract of guarantee or suretyship in effect at the close of the year or entered into and expired during the year. This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than two years after the date of issue. Items of less than \$50,000 may be shown as one total.

Line No.	Names of all parties principally and primarily liable (a)	Description (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)	Line No.
1	Terminal RR Assoc. of St. Louis	Refunding and Improvement Mortgage	1,112 plus interest	Joint	1
2	Guarantors: CSXT, BN, ICG, MKT,	Bonds, Series C, 4% due 7/1/2019			2
3	MP, NS, and SSW				3
4					4
5					5
6					6
7					7
8					8
9					9
10					10
11					11
12					12
13					13
14					14
15					15
16					16
17					17
18					18
19					19
20					20
21					21
22					22
23					23
24					24
25					25
26					26
27					27
28					28
29					29
30					30
31					31
32					32
33					33
34					34
35					35
36					36
37					37
38					38

2. If any corporation or other association was under obligation as guarantor or surety for the performance by the respondent of any agreement or obligation, show the particulars called for hereunder for each such contract of guaranty or suretyship in effect at the close of the year or entered into and expired during the year. This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than two years after the date of issue, nor does it include ordinary surety bonds or undertakings on appeals in court proceedings.

Line No.	Finance docket number, title, maturity date and concise description of agreement or obligation (a)	Names of all guarantors and sureties (b)	Amount of contingent liability of guarantors (c)	Sole or joint contingent liability (d)	Line No.
1	6.251% Secured Equipment Notes	CSX Corporation	351,449	Sole	1
2	Due 1/15/2023				2
3	8.375% Secured Equipment Notes	CSX Corporation	336,880	Sole	3
4	Due 10/15/2014				4
5					5
6					6
7					7
8					8
9					9

502. COMPENSATING BALANCES AND SHORT-TERM BORROWING ARRANGEMENTS

(Dollars in Thousands)

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

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

This represents a \$15 million line of credit for the Indiana Rail Road Company. The line of credit is guaranteed by Midland United Corporation. As of 12/25/2009, the outstanding balance was \$9,868 million with an unused portion of \$5,132 million. The interest rate at 12/25/2009 was 1.08406%. The maximum outstanding at any one time was \$11,256 million and the weighted average interest rate was 1.16% for the period.

NOTES AND REMARKS

510. SEPARATION OF DEBTHOLDINGS BETWEEN ROAD PROPERTY AND EQUIPMENT

(Dollars in Thousands)

The principal use of this schedule is to determine the average embedded rate of debt capital.

I. Debt Outstanding at End of Year:

Line No.	Account No. (a)	Title (b)	Source (c)	Balance Close of Year (d)	Line No.
1	751	Loans and notes payable	Sch 200, Line 30	8,512	1
2	764	Equipment obligations and other long-term debt due within one year	Sch 200, Line 39	110,114	2
3	765/767	Funded debt unmatured	Sch 200, Line 41	429,150	3
4	766	Equipment obligations	Sch 200, Line 42	825,887	4
5	766.5	Capitalized lease obligations	Sch 200, Line 43	10,334	5
6	768	Debt in default	Sch 200, Line 44	-	6
7	769	Accounts payable - affiliated companies	Sch 200, Line 45	-	7
8	770.1/770.2	Unamortized debt premium	Sch 200, Line 46	68,990	8
9		Total debt	Sum of Lines 1 through 8	1,452,987	9
10		Debt directly related to road property	Note 1	70,554	10
11		Debt directly related to equipment	Note 1	935,267	11
12		Total debt related to road and equipment	Lines 10 and 11	1,005,821	12
13		Percent directly related to road	Line 10 / Line 12 Whole % + 2 decimals	7.01%	13
14		Percent directly related to equipment	Line 11 / Line 12 Whole % + 2 decimals	92.99%	14
15		Debt not directly related to road or equipment	Line 9 - Line 12	447,166	15
16		Road property debt (Note 2)	(Line 13 x Line 15) + Line 10	101,900	16
17		Equipment debt (Note 2)	(Line 14 x Line 15) + Line 11	1,351,087	17

II. Interest Accrued During Year:

Line No.	Account No. (a)	Title (b)	Source (c)	Balance Close of Year (d)	Line No.
18	546-548	Total interest and amortization (fixed charges)	Sch. 210, Line 42	94,142	18
19	546	Contingent Interest On Funded Debt	Sch. 210, Line 44	-	19
20	517	Release of Premiums on Funded Debt	Sch. 210, Line 22	-	20
21		Total Interest (Note 3)	(Line 18 + Line 19) - Line 20	94,142	21
22		Interest Directly Related to Road Property Debt	Note 4	4,023	22
23		Interest Directly Related to Equipment Debt	Note 4	69,085	23
24		Interest not directly related to road or equipment property debt	Line 21 - (Lines 22 + 23)	21,034	24
25		Interest On Road Property Debt (Note 5)	Line 22 + (Line 24 x Line 13)	5,497	25
26		Interest On Equipment Debt (Note 5)	Line 23 + (Line 24 x Line 14)	88,645	26
27		Embedded Rate of Debt Capital - Road Property	Line 25 / Line 16	5.39%	27
28		Embedded Rate of Debt Capital - Equipment	Line 26 / Line 17	6.56%	28

Note 1: Directly related means the purpose which the funds were used when the debt was issued.

Note 2: Line 16 plus Line 17 must equal Line 9.

Note 3: Line 21 includes interest on debt in Account 769 - Accounts Payable; Affiliated Companies.

Note 4: This interest relates to debt reported in Lines 10 and 11, respectively.

Note 5: Line 25 plus Line 26 must equal Line 21.

NOTES AND REMARKS

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 512

1. Furnish the information called for below between the respondent and the affiliated companies or persons affiliated with the respondent, including officers, directors, stockholders, owners, partners, or their wives and other close relatives, or their agents. Examples of transactions are, but are not restricted to, management, legal, accounting, purchasing, or other types of service including the furnishing of materials, supplies, purchase of equipment, leasing of structures, land and equipment, and agreements relating to allocation of officers' salaries and other common costs between affiliated companies.

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

- (a) Lawful tariff charges for transportation services.
- (b) Payments to or from other carriers for interline services and interchange of equipment.
- (c) Payment to or from other carriers which may reasonably be regarded as ordinarily connected with routine operation or maintenance, but any special or unusual transactions should be reported.
- (d) Payments to public utility companies for rates or charges fixed in conformity with government authority.

2. In column (a) enter the name of the affiliated company, person, or agent with which respondent received or provided services aggregating \$50,000 or more during the year. If an affiliated company provides services to more than one affiliate, and the aggregate compensation amounts to \$50,000 or more for the year, list all the affiliates included in the agreement and describe the allocation of charges. If the respondent provides services to more than one affiliate, and the aggregate compensation amounts to \$50,000 or more for the year, reference to this fact should be made and the detail as to the allocation of charges should be stated. For those affiliates providing services to the respondent, also enter in column (a) the percent of affiliate's gross income derived from transactions with respondent.

The respondent may be required to furnish as an attachment to Schedule 512 a balance sheet and income statement for each affiliate with which respondent carrier had reportable transactions during the year, or alternatively, attach a "Pro Forma" balance sheet and income statement for that portion or

entity of each affiliate which furnished the agreed to services, equipment, or other reportable transaction. The statements, if required, should be prepared on a calendar year basis in conformity with the prescribed schedules for the balance sheet and income statement in this Annual Report Form R-1, and should be noted (1) to indicate the method used for depreciating equipment or other property furnished to the carrier, and (2) whether the affiliate's Federal income tax return for the year was filed on a consolidated basis with the respondent carrier.

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

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

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

5. In column (d), report the dollar amounts of the transactions shown and the effect of any change in the method of establishing the terms from that used in the preceding period.

6. In column (e), report the dollar amounts due from or to related parties and, if not otherwise apparent, the terms and manner of settlement. Insert (P) for paid or (R) for received by the amount in column (e).

SCHEDULE 512. TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RECEIVED OR PROVIDED
(Dollars in Thousands)

Line No.	Name of company or related party with percent of gross income (a)	%	Nature of relationship (b)	Description of transactions (c)	Dollar amounts of transactions (d)	Amount due from or to related parties (e)	Line No.
1	CSX Business Management		Common	Advance		36,324 R	1
2	CSX Business Management		Common	Interest Expense (Income)	(4,631)		2
3	CSX Business Management		Common	Management Fees	(866)		3
4	CSX Corporation		Controlled	Advance		318,059 P	4
5	CSX Corporation		Controlled	Interest Expense	3,000		5
6	CSX Corporation		Controlled	Management Fees	386,171		6
7	CSX Insurance		Common	Advance		4,564 P	7
8	CSX Insurance		Common	Interest Expense	438		8
9	CSX Insurance		Common	Insurance Expense	52,491		9
10	CSX Intermodal		Common	Operating Agreement - Exp. Credits	(396,349)	28,997 P	10
11	CSX de Mexico		Common	Management Fees	1,337		11
12	CSX Trade Receivables		Common	Advance		368,719 R	12
13	CSX Trade Receivables		Common	Management Fees	8,553		13
14	CSX Real Property		Common	Advance		923 P	14
15	CSX Real Property		Common	Management Fees	28,436		15
16	CSX Technology		Common	Interest Expense		232,125 P	16
17	CSX Technology		Common	Management Fees	148,564		17
18	Total Distribution Services, Inc.		Common	Interest Expense		3,791 P	18
19	Total Distribution Services, Inc.		Common	Management Fees	37,344		19
20	TRANSFLO Corporation		Common	Interest Expense		5,891 P	20
21	TRANSFLO Corporation		Common	Management Fees	(1,140)		21
22							22
23							23
24							24
25							25

Note: Please refer to Note 6, page 15 for additional information.

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 700

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

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

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

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

In column (a) insert the figure (and letter, if any) indicating its class in accordance with the above list of classifications.

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

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

WAY SWITCHING TRACKS - Station, team, industry, and other switching tracks for which no separate service is maintained.

YARD SWITCHING TRACKS - Yard where separate switching services are maintained, including classification, house, team, industry, and other tracks switched by yard locomotives.

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

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

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

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

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

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

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

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

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

700. MILEAGE OPERATED AT CLOSE OF YEAR										
Line No.	Class (a)	Proportion owned or leased by respondent (b)	Running tracks, passing tracks, cross-overs, etc.				Miles of way switching tracks (g)	Miles of yard switching tracks (h)	TOTAL (i)	Line No.
			Miles of road (c)	Miles of second main track (d)	Miles of all other main tracks (e)	Miles of passing tracks, cross-overs, and turnouts (f)				
1	1	100%	16,034	3,455	91	641	451	7,633	28,305	1
2	1J	25%	-	-	-	-	-	31	31	2
3	1J	33%	-	-	-	-	-	20	20	3
4	1J	40%	-	-	-	-	-	3	3	4
5	1J	50%	70	68	-	1	5	121	265	5
6	1J	66%	-	-	-	-	-	11	11	6
7	TOTAL CLASS 1		16,104	3,523	91	642	456	7,819	28,635	7
8	2	100%	130	2	-	9	33	33	207	8
9	2	Ontario	53	-	-	9	-	5	67	9
10	2	Quebec	13	-	-	-	4	-	17	10
11	2J	85%	247	-	-	6	48	25	326	11
12	TOTAL CLASS 2		443	2	-	24	85	63	617	12
13	3A	100%	324	15	-	37	3	56	435	13
14	3B	100%	346	44	1	6	15	230	642	14
15	3BJ	33%	-	3	-	-	-	-	3	15
16	3A	Quebec	17	-	-	-	-	-	17	16
17	3B	Quebec	13	-	-	-	4	-	17	17
18	TOTAL CLASS 3		700	62	1	43	22	286	1,114	18
19	4A	100%	-	-	-	-	-	2	2	19
20	4B	100%	122	69	3	-	2	100	296	20
21	4BJ	50%	7	-	-	-	-	-	7	21
22	TOTAL CLASS 4		129	69	3	-	2	102	305	22
23	5	100%	3,796	1,178	622	245	71	664	6,576	23
24	5J	33%	-	-	-	-	-	1	1	24
25	5J	50%	2	-	-	-	-	-	2	25
26	5	Ontario	10	1	-	4	1	6	22	26
27	5	Quebec	6	-	-	-	-	-	6	27
28	TOTAL CLASS 5		3,814	1,179	622	249	72	671	6,607	28
29										29
30										30
31										31
32										32
33										33
34										34
35										35
36										36
37										37
38										38
39										39
40										40
41										41
42										42
43										43
44										44
45										45
46										46
47										47
48										48
49										49
50										50
51										51
52										52
53										53
54										54
55										55
56										56
57			21,190	4,835	717	958	637	8,941	37,278	57
58	Miles of electrified road or track included in the preceding grand total		-	-	-	-	-	-	-	58

702. MILES OF ROAD AT CLOSE OF YEAR - BY STATES AND TERRITORIES (SINGLE TRACK)

Give particulars, as of the close of the year, of all road operated and of all road owned but not operated. The respondent's proportion of operated road held by it as a joint or common owner, or under a joint lease, or under any joint arrangement, should be shown in columns (b), (c), (d) or (e), as may be appropriate. The remainder of jointly operated mileage should be shown in column (f). Respondent's proportion of road jointly owned but not operated should be shown in column (h), as appropriate. Mileage which has been permanently abandoned should not be included in column (h).

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

Line No.	Cross Check	State or territory (a)	MILES OF ROAD OPERATED BY RESPONDENT								Line No.
			Line owned (b)	Line of proprietary companies (c)	Line operated under lease (d)	Line operated under contract, etc. (e)	Line operated under trackage rights (f)	Total mileage operated (g)	Line owned, not operated by respondent (h)	New line constructed during year (i)	
1		Alabama	904	-	-	-	111	1,015	163	-	1
2		Canada - Ontario	-	53	-	-	10	63	-	-	2
3		Canada - Quebec	-	13	30	-	6	49	12	-	3
4		Connecticut	6	-	-	-	62	68	-	-	4
5		Delaware	23	-	-	-	21	44	-	-	5
6		District Of Columbia	18	-	-	-	2	20	-	-	6
7		Florida	1,524	-	-	81	47	1,652	125	-	7
8		Georgia	1,422	-	118	-	75	1,615	147	-	8
9		Illinois	607	35	55	-	219	916	40	-	9
10		Indiana	1,237	213	15	-	259	1,724	225	-	10
11		Kentucky	1,572	15	1	10	46	1,644	53	-	11
12		Louisiana	35	-	-	-	8	43	-	-	12
13		Maryland	452	17	5	-	86	560	-	-	13
14		Massachusetts	266	-	10	-	154	430	8	-	14
15		Michigan	418	-	-	-	151	569	181	-	15
16		Mississippi	74	-	-	-	20	94	-	-	16
17		Missouri	-	-	-	-	13	13	-	-	17
18		New Jersey	63	-	-	-	584	647	2	-	18
19		New York	845	-	195	-	254	1,294	20	-	19
20		North Carolina	1,066	-	-	7	52	1,125	-	-	20
21		Ohio	1,286	-	140	12	465	1,903	243	-	21
22		Pennsylvania	428	47	46	5	536	1,062	86	-	22
23		South Carolina	1,221	-	47	-	17	1,285	12	-	23
24		Tennessee	831	-	15	-	160	1,006	64	-	24
25		Virginia	763	30	7	-	254	1,054	2	-	25
26		West Virginia	1,043	20	16	14	202	1,295	182	-	26
27											27
28											28
29											29
30											30
31											31
32		Total Mileage (Single Track)	16,104	443	700	129	3,814	21,190	1,565	-	35

NOTES AND REMARKS

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 710

Instructions for reporting locomotive and passenger-train car data.

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.
2. In column (c), give the number of units purchased new or built in company shops. In column (d), give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad.
3. Units leased to others for a period of one year or more are reportable in column (l). Units temporarily out of respondent's service and rented to others for less than one year are to be included in column (h). Units rented from others for a period less than one year should not be included in column (i).
4. For reporting purposes, a "locomotive unit" is a self-propelled vehicle generating or converting energy into motion, and designed solely for moving other equipment. An "A" unit is the least number of wheel bases with superstructure designed for use singly or as a lead locomotive unit in combination with other locomotive units. A "B" unit is similar to an "A" unit but it is not equipped for use singly or as a lead locomotive unit. A "B" unit may be equipped with hostler controls for independent operation at terminals.
5. A "self-propelled car" is a rail motor car propelled by electric motors receiving power from a third rail or overhead, or internal combustion engines located on the car itself. Trailers equipped for use only in trains of cars that are self-propelled are to be included as self-propelled equipment.
6. A "diesel" unit includes all units propelled by diesel internal combustion engines regardless of final drive or whether power may at times be supplied from an external conductor. Units other than diesel-electric, e.g., diesel-hydraulic, should be identified in a footnote, giving the number and a brief description. An "electric" unit includes all units which receive electric power from a third rail or overhead contact wire, and use the power to drive one or more electric motors that propel the vehicle. An "other self-powered unit" includes all units other than diesel, or electric, e.g., gas turbine, steam. Show the type of unit, service, and number, as appropriate, in a brief description sufficient for positive identification. An "Auxiliary unit" includes all units used in conjunction with locomotives, but which draw their power from the "mother" unit, e.g., boosters, slugs, etc. For reporting purposes, indicate radio-controlled self-powered diesel units on lines 1 through 8, as appropriate. Radio-controlled units that are not self-propelled, i.e., those without a diesel, should be reported on line 13 under "auxiliary units."
7. Column (k) should show aggregate capacity for all units reported in column (j), as follows: For locomotive units, report the manufacturer's rated horsepower (the maximum continuous power output from the diesel engine or engines delivered to the main generator or generators for tractive purposes). Exclude capacity data for steam locomotives. For passenger-train cars, report the number of passenger seats available for revenue service, counting one passenger to each berth in sleeping cars.
8. Passenger-train car types and service equipment car types correspond to AAR Mechanical Division designations. Descriptions of car codes and designations are published in The Official Railway Equipment Register.
9. Cross-checks

Schedule 710		Schedule 710
Line 5, column (j)	=	Line 11, column (l)
Line 6, column (j)	=	Line 12, column (l)
Line 7, column (j)	=	Line 13, column (l)
Line 8, column (j)	=	Line 14, column (l)
Line 9, column (j)	=	Line 15, column (l)
Line 10, column (j)	=	Line 16, column (l)

When data appear in column (j), lines 1 through 8, column (k) should have data on the same lines.

When data appear in columns (k) or (l), lines 36 through 53, and 55, column (m) should have data on the same lines.

710. INVENTORY OF EQUIPMENT
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No.	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service whether owned or leased, including reclassification (g)	Units at Close of Year						Line No.
				Units Installed					Owned and used (h)	Leased from others (i)	Total in service of respondent (col. (h) & (i)) (j)	Aggregate capacity of units reported in col. (j) (See Ins. 7) (k)	Leased to others (l)		
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)								
		Locomotive Units										(HP)			
1		Diesel-freight units	3,600				2	64	3,363	175	3,538	13,076,500	-	1	
2		Diesel-passenger units	4						4		4	12,000	-	2	
3		Diesel-multiple purpose units	-						-		-		-	3	
4		Diesel-switching units	318	2				13	307		307	627,200	-	4	
5	*	TOTAL (lines 1 to 4)	3,922	2	-	-	2	77	3,674	175	3,849	13,715,700	-	5	
6	*	Electric locomotives	-	-	-	-	-	-	-	-	-	-	-	6	
7	*	Other self-powered units	-	-	-	-	-	-	-	-	-	-	-	7	
8	*	TOTAL (lines 5, 6, and 7)	3,922	2	-	-	2	77	3,674	175	3,849	13,715,700	-	8	
9	*	Auxiliary units	221		-	-	-		221	-	221	N/A	-	9	
10	*	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	4,143	2	-	-	2	77	3,895	175	4,070	N/A	-	10	

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

Line No.	Cross Check	Type or design of units	Before Jan. 1, 1985 (b)	Between Jan. 1, 1985 and Dec 31, 1989 (c)	Between Jan. 1, 1990 and Dec 31, 1994 (d)	Between Jan. 1, 1995 and Dec 31, 1999 (e)	Between Jan. 1, 2000 and Dec 31, 2004 (f)	During Calendar Year					Total (l)	Line No.
								2005 (g)	2006 (h)	2007 (i)	2008 (j)	2009 (k)		
11	*	Diesel	1,509	251	541	601	380	100	100	184	181	2	3,849	11
12	*	Electric											-	12
13	*	Other self-powered units											-	13
14	*	TOTAL (lines 11 to 13)	1,509	251	541	601	380	100	100	184	181	2	3,849	14
15	*	Auxiliary units	184	2	-	-	-	-	-	-	35	-	221	15
16	*	TOTAL LOCOMOTIVE UNITS (lines 14 and 15)	1,693	253	541	601	380	100	100	184	216	2	4,070	16

* Excludes short-term leases.

710. INVENTORY OF EQUIPMENT (Continued)															
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS															
Line No.	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year						Line No.
				Units Installed					Owned and used (h)	Leased from others (i)	Total in service of respondent (col. (h) & (i)) (j)	Aggregate capacity of units reported in col. (j) (See Ins. 7) (k)	Leased to others (l)		
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)								
17		Passenger-Train Cars Non-Self-Propelled Coaches (PA, PB, PBO)	-								-			17	
18		Combined cars (All class C, except CSB)	-								-			18	
19		Parlor cars (PBC, PC, PL, PO)	-								-			19	
20		Sleeping cars (PS, PT, PAS, PDS)	-								-			20	
21		Dining, grill, & tavern cars (All class D, PD)	-								-			21	
22		Nonpassenger carrying cars (All class B, CSB, M, PSA, IA)	-								-			22	
23		TOTAL (Lines 17 to 22)	-	-	-	-	-	-	-	-	-	-	-	23	
24		Self-Propelled Electric passenger cars (EP, ET)	-								-			24	
25		Electric combined cars (EC)	-								-			25	
26		Internal combustion rail motorcars (ED, EG)	-								-			26	
27		Other self-propelled cars (Specify types)	-								-			27	
28		TOTAL (Lines 24 to 27)	-	-	-	-	-	-	-	-	-	-	-	28	
29		TOTAL (Lines 23 and 28)	-	-	-	-	-	-	-	-	-	-	-	29	
30		Company Service Cars Business cars (PV)	24					1	18	5	23	N/A		30	
31		Board outfit cars (MWX)	32					1	21	10	31	N/A		31	
32		Derrick & snow removal cars (MWU, MWV, MWW, MWK)	54					1	53	-	53	N/A		32	
33		Dump and ballast cars (MWB, MWD)	1,792			-	-	87	1,349	356	1,705	N/A		33	
34		Other maintenance and service equipment cars	4,588			-	-	87	4,396	105	4,501	N/A		34	
35		TOTAL (Lines 30 to 34)	6,490	-	-	-	-	177	5,837	476	6,313	-	-	35	

710. INVENTORY OF EQUIPMENT (Continued)															
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS															
Line No.	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year						Line No.
				Units Installed					Owned and used (h)	Leased from others (i)	Total in service of respondent (col. (h) & (i)) (j)	Aggregate capacity of units reported in col. (j) (See Ins. 7) (k)	Leased to others (l)		
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)								
17		Passenger-Train Cars Non-Self-Propelled Coaches (PA, PB, PBO)	-								-			17	
18		Combined cars (All class C, except CSB)	-								-			18	
19		Parlor cars (PBC, PC, PL, PO)	-								-			19	
20		Sleeping cars (PS, PT, PAS, PDS)	-								-			20	
21		Dining, grill, & tavern cars (All class D, PD)	-								-			21	
22		Nonpassenger carrying cars (All class B, CSB, M, PSA, IA)	-								-			22	
23		TOTAL (Lines 17 to 22)	-	-	-	-	-	-	-	-	-	-	-	23	
24		Self-Propelled Electric passenger cars (EP, ET)	-								-			24	
25		Electric combined cars (EC)	-								-			25	
26		Internal combustion rail motorcars (ED, EG)	-								-			26	
27		Other self-propelled cars (Specify types)	-								-			27	
28		TOTAL (Lines 24 to 27)	-	-	-	-	-	-	-	-	-	-	-	28	
29		TOTAL (Lines 23 and 28)	-	-	-	-	-	-	-	-	-	-	-	29	
30		Company Service Cars Business cars (PV)	24					1	18	5	23	N/A		30	
31		Board outfit cars (MWX)	32					1	21	10	31	N/A		31	
32		Derrick & snow removal cars (MWU, MWV, MWW, MWK)	54					1	53	-	53	N/A		32	
33		Dump and ballast cars (MWB, MWD)	1,792			-	-	87	1,349	356	1,705	N/A		33	
34		Other maintenance and service equipment cars	4,588			-	-	87	4,396	105	4,501	N/A		34	
35		TOTAL (Lines 30 to 34)	6,490	-	-	-	-	177	5,837	476	6,313	-	-	35	

710. INVENTORY OF EQUIPMENT - Continued

Instructions for reporting freight-train car data

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year
2. In column (d) give the number of units purchased or built in company shops. In column (e) give the number of new units leased from others. The term
3. Units leased to others for a period of one year or more are reportable in column (n). Units temporarily out of respondent's service and rented to others for

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

Line No.	Cross Check	Class of equipment and car designations (a)	Units in service of respondent at beginning of year		Changes during the year				Line No.
			Time-mileage cars (b)	All others (c)	Units installed				
					New units purchased or built (d)	New or rebuilt units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)	
36		FREIGHT TRAIN CARS Plain box cars - 40' (B1_, B2_)	-						36
37		Plain box cars - 50' and longer (B3_0-7, B4_0-7, B5_, B6_, B7_, B8_)	11			95		11	37
38		Equipped box cars (All Code A, Except A_5_)	13,187						38
39		Plain gondola cars (All Codes G & J, J_1, J_2, J_3, J_4)	9,713			276		44	39
40		Equipped gondola cars (All Code E)	16,664						40
41		Covered hopper cars (C_1, C_2, C_3, C_4)	12,915						41
42		Open top hopper cars - general service (All Code H)	11,722		202				42
43		Open top hopper cars - special service (J_O and All Code K)	7,038						43
44		Refrigerator cars - mechanical (R_5_, R_6_, R_7_, R_8_, R_9_)	32						44
45		Refrigerator cars - non-mechanical (R_0_, R_1_, R_2_)	930						45
46		Flat cars - TOFC/COFC (All Code P, Q, & S, Except Q8_)	626						46
47		Flat cars - multilevel (All Code V)	11,772			50			47
48		Flat cars - general service (F10_, F20_, F30_)	13						48
49		Flat cars - other (F_1_, F_2_, F_3_, F_4_, F_5_, F_6_, F_8_, F40_)	6,556						49
50		Tank cars - under 22,000 gal. (T_0, T_1, T_2, T_3, T_4, T_5)	-						50
51		Tank cars - 22,000 gal. and over (T_6, T_7, T_8, T_9)	35						51
52		All other freight cars (A_5_, F_7_, All Code L & Q8_)	136						52
53		TOTAL (Lines 36 to 52)	91,350	-	202	421	-	55	53
54		Caboose (All Code M-930)	N/A	218					54
55		TOTAL (Lines 53 and 54)	91,350	218	202	421	-	55	55

710. INVENTORY OF EQUIPMENT - Continued

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

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

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

Line No.	Cross Check	Changes during year (concluded)	Units at close of year						
		Units retired from service of respondent whether owned or leased including reclassification (h)	Owned and used (i)	Leased from others (j)	Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col (k) & (l) (see ins. 4) (m)	Leased to Others (n)	Line No.
					Time-mileage cars (k)	All Others (l)			
36		-	-	-	-	-	-	-	36
37		-	22	95	117		11,727		37
38		1,309	9,926	1,952	11,878		981,738		38
39		375	7,202	2,456	9,658		1,093,076		39
40		1,140	13,961	1,563	15,524		1,551,636		40
41		1,226	11,199	490	11,689		1,188,260		41
42		1,245	8,393	2,286	10,679		1,107,955		42
43		480	5,854	704	6,558		685,367		43
44		1	-	31	31		2,529		44
45		347	47	536	583		43,469		45
46		8	252	366	618		96,218		46
47		1,349	-	10,473	10,473		382,877		47
48		7	6	-	6		473		48
49		139	563	5,854	6,417		601,460		49
50		-	-	-	-				50
51		34	-	1	1		98		51
52		86	50	-	50		3,959		52
53		7,746	57,475	26,807	84,282	-	7,750,842	-	53
54		40	178	-		178			54
55		7,786	57,653	26,807	84,282	178	7,750,842	-	55

710. INVENTORY OF EQUIPMENT - Continued									
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS									
Line No.	Cross Check	Class of equipment and car designations (a)	Units in service of respondent at beginning of year		Changes during the year				Line No.
			Per diem (b)	All Others (c)	Units installed				
					New units purchased or built (d)	New units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)	
		FLOATING EQUIPMENT							
56		Self-propelled vessels (tugboats, car ferries, etc.)	-					-	56
57		Non-self-propelled vessels (car floats, lighters, etc.)	-					-	57
58		TOTAL (Lines 56 and 57)	-	-	-	-	-	-	58
		HIGHWAY REVENUE EQUIPMENT							
59		Chassis (Z1_, Z67_, Z68_, Z_69_)	-					-	59
60		Dry van (U2_, Z_, Z6_, I-6)						-	60
61		Flat bed (U3_, Z3_)	-					-	61
62		Open bed (U4_, Z4_)	-					-	62
63		Mechanical refrigerator (U5_, Z5_)	-					-	63
64		Bulk hopper (U0_, Z0_)	-					-	64
65		Insulated (U7_, Z7_)						-	65
66		Tank (Z0_, U6_) (See note)	-					-	66
67		Other trailer and container (Special equipped dry van U9_, Z8_, Z9_)						-	67
68		Tractor	-					-	68
69		Truck	-					-	69
70		TOTAL (Lines 59 to 69)	-	-	-	-	-	-	70
<p style="text-align: center;">NOTES AND REMARKS</p> <p>Note: Line 66 (Tank) must have fitting code "CN" to qualify as a tank, otherwise it is a bulk hopper.</p>									

710. INVENTORY OF EQUIPMENT - Concluded

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

Line No.	Cross Check	Changes during year (concluded)	Units at close of year						Line No.
		Units retired from service of respondent whether owned or leased including reclassification (h)	Owned and used (i)	Leased from others (j)	Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col (k) & (l) (see ins. 4) (m)	Leased to Others (n)	
					Per diem (k)	All Others (l)			
56					-				56
57					-				57
58		-	-	-	-	-	-	-	58
59		-			-		-		59
60			-	-	-		-		60
61		-	-	-	-		-		61
62		-	-	-	-		-		62
63		-	-	-	-		-		63
64		-	-	-	-		-		64
65			-	-	-		-		65
66		-	-	-	-		-		66
67			-	-	-		-		67
68		-	-	-	-		-		68
69		-	-	-	-		-		69
70		-	-	-	-	-	-	-	70

NOTES AND REMARKS

710S. UNIT COST OF EQUIPMENT INSTALLED DURING THE YEAR

(Dollars in Thousands)

1. Give particulars, as requested, separately, for the various classes of new units and rebuilt units of equipment installed by respondent during the year. If information regarding the cost of any units installed is not complete at time of filing of this report, the units should be omitted, but reference to the number of units omitted should be given in a footnote, the details as to cost to be given in the report of the following year. The cost of units under construction at the close of the year should not be reflected in this schedule even though part of the cost appears in the property account for the year. Indicate in column (e) whether an installation represents equipment purchased (P), built or rebuilt by contract in outside railroad shops (C), or built or rebuilt in company or system shops (S), including units acquired through capitalized leases (L).
2. In column (a) list each class or type of locomotive unit, car, or TOFC/COFC equipment on a separate line. By class is meant the standard classification used to distinguish types of locomotive units, freight cars, or other equipment adopted by the Association of American Railroads, and should include physical characteristics requested by Schedule 710. Locomotive units should be identified as to power source, wheel arrangement, and horsepower per unit, such as multiple-purpose diesel locomotive A units (B-B), 2500 HP. Cars should be identified as to special construction or service characteristics, such as aluminum-covered hopper car (LO) or steel boxcars-special service (XAP). For TOFC/COFC, show the type of equipment as enumerated in Schedule 710.
3. In column (c) show the total weight in tons of 2,000 pounds. The weight of equipment acquired should be the weight empty.
4. The cost should be the complete cost as entered on the ledger, including foreign line freight charges and handling charges.
5. Data for this schedule should be confined to the units reported in Schedule 710, columns (c) and (e) for locomotive units, passenger-train cars and company service cars, and columns (d) and (f) for freight train cars, floating equipment, and highway revenue equipment. Disclose new units in the upper section of this schedule. Disclose rebuilt units acquired or rewritten into the respondent's accounts in the lower section. The term "new" as used herein shall mean a unit or units placed in service for the first time on any railroad.
6. All unequipped boxcars acquired in whole or in part with incentive per diem funds should be reported on separate lines and be appropriately identified by footnote or sub-heading.

NEW UNITS

Line No.	Class of equipment (a)	Number of Units (b)	Total Weight (Tons) (c)	Total Cost (d)	Method of Acquisition (see instructions) (e)	Line No.
1	Locomotives					1
2	Diesel-freight locomotives ,(C-C) ES44DC, 4400 HP					2
3	Diesel-freight locomotives ,(C-C) ES44DC, 4400 HP					3
4	Diesel-freight locomotives ,(C-C) ES44DC, 4400 HP					4
5						5
6						6
7	Diesel-Switching locomotives, 3GS21B, 2100HP	2	280	3,004,050	P	7
8	Auxillary unit, RDSLUG, 0 HP					8
9						9
10						10
11						11
12						12
13						13
14						14
15	Freight Cars					15
16	Hybrid BethGon II Railcars					16
17	Hybrid BethGon II Railcars					17
18	Hybrid BethGon II Railcars					18
19						19
20						20
21						21
22						22
23						23
24						24
25	TOTAL	2	280	3,004,050	N/A	25

REBUILT UNITS

26	Locomotives					26
27						27
28						28
29						29
30	Freight Cars					30
31	H350 Steel 263grl Coal Hopper Cars (used)	202	6,019	3,838,000	P	31
32						32
33						33
34						34
35						35
36						36
37						37
38	TOTAL	202	6,019	3,838,000	N/A	38
39	GRAND TOTAL	204	6,299	6,842,050	N/A	39

GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULES 720, 721, 723, AND 726

1. For purposes of these schedules, the track categories are defined as follows:
 - A. Freight density of 20 million or more gross ton-miles per track-mile per year (including passing tracks, turnouts, and crossovers).
 - B. Freight density of less than 20 million gross ton-miles per track-mile per year, but at least 5 million (including passing tracks, turnouts, and crossovers).
 - C. Freight density of less than 5 million gross ton-miles per track-mile per year, but at least 1 million (including passing tracks, turnouts, and crossovers).
 - D. Freight density of less than 1 million gross ton-miles per track-mile per year (including passing tracks, turnouts, and crossovers).
 - E. Way and yard switching tracks (passing tracks, turnouts, and crossovers shall be included in categories A, B, C, D, F, or potential abandonments, as appropriate).
 - F. Track over which any passenger service is provided (other than potential abandonments). Mileage should be included within track categories A through E unless it is dedicated entirely to passenger service, category F.

Potential abandonments - Route segments identified by railroads as potentially subject to abandonment as required by Section 10903 of the ICC Termination Act of 1995.
2. This schedule should include all class 1, 2, 3, or 4 track from Schedule 700, that is maintained by the respondent. (Class 5 track is assumed to be maintained by others)
3. If, for two consecutive years, a line segment classified in one track category maintains a traffic density which would place it in another, it shall be reclassified into that category as of the beginning of the second year.
4. Traffic density related to passenger service shall not be included in the determination of the track category of a line segment.

720. TRACK AND TRAFFIC CONDITIONS

Disclose the requested information pertaining to track and traffic conditions.

Line No.	Track category (a)	Mileage of tracks at end of period (whole numbers) (b)	Average annual traffic density in millions of gross ton-miles per track-mile* (use two decimal places) (c)	Average running speed limit (use two decimal places) (d)	Track miles under slow orders at end of period (e)	Line No.
1	A	10,597	41.76	46.80	53.35	1
2	B	7,461	11.98	41.14	201.80	2
3	C	2,024	2.93	28.61	39.00	3
4	D	1,754	0.38	20.19	41.45	4
5	E	8,835	XXXXXXXXXX	XXXXXXXXXX		5
6	TOTAL	30,671			335.60	6
7	F		XXXXXXXXXX	XXXXXXXXXX		7
8	Potential abandonments					8

* To determine average density, total track miles (route-miles times number of tracks), rather than route-miles, shall be used.

721. TIES LAID IN REPLACEMENT

86

1. Furnish the requested information concerning ties laid in replacement.
2. In column (j), report the total board feet of switch and bridge ties laid in replacement.
3. The term "spot maintenance" in column (k) means repairs to track components during routine inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "Percent of spot maintenance" refers to the percentage of total ties or board feet laid in replacement that are considered to be spot maintenance.
4. In line 9, the average cost per tie should include transportation charges on foreign lines, tie trains, loading, inspection, and the cost of handling ties in general supply storage and seasoning yards, and in the case of treating ties, also the cost of handling at treating plants and the cost of treatment. The cost of unloading, hauling over the carrier's own lines, and placing the ties in tracks and of train service other than that necessary in connection with loading or treatment should not be included in this schedule.

Line No.	Track Category (a)	Number of crossties laid in replacement							Total (i)	Switch and bridge ties (board feet) (j)	Crossties switch and bridge ties % of spot maintenance (k)*	Line No.
		New ties				Second-hand ties						
		Wooden		Concrete (d)	Other (e)	Wooden		Other (h)				
		Treated (b)	Untreated (c)			Treated (f)	Untreated (g)					
1	A	1,395,574	-	1,013	-	-	-	-	1,396,587	3,018,672	3.00	1
2	B	1,153,760	-	-	-	-	-	-	1,153,760	1,592,098	3.00	2
3	C	223,544	-	-	253	-	-	-	223,797	235,610	3.00	3
4	D	172,041	-	-	-	-	-	-	172,041	177,305	3.00	4
5	E	317,231	-	-	1,068	-	-	-	318,299	3,114,779	3.00	5
6	TOTAL	3,262,150	-	1,013	1,321	-	-	-	3,264,484	8,138,464	3.00	6
7	F	-	-	-	-	-	-	-	-	-	0.00	7
8	Potential abandonments	-	-	-	-	-	-	-	-	-	0.00	8
9	Average cost per crosstie	\$ 38.41	and switchtie (MBM)		\$ 943.23	* Estimate						

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

(Dollars in Thousands)

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

In column (a), classify the ties as follows:

U - Wooden ties, untreated when applied.

T - Wooden ties, treated before application.

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

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

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

Line No.	Class of ties (a)	Crossties			Switch and Bridge Ties			Remarks (h)	Line No.
		Total number of ties applied (b)	Average cost per tie (c)	Total cost of crossties laid in new tracks during year (d)	Number of feet (board measure) laid in tracks (e)	Average cost per M feet (board measure) (f)	Total cost of switch & bridge ties laid in new tracks during year (g)		
1	T	38,924	53.74	2,091.78	24	46,721	1,124.71	NEW	1
2	T	-	-	-	-	-	-	RELAY	2
3	S	2,700	74.06	199.96				CONCRETE	3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20	TOTAL	41,624	55.06	2,291.74	24	46,721	1,124.71		20
21	Number of miles of new running tracks, passing tracks, crossovers, etc., in which ties were laid					5.69			21
22	Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid					1.03			22

723. RAILS LAID IN REPLACEMENT

88

1. Furnish the requested information concerning rails laid in replacement.
2. The term "spot maintenance" in column (h) means repairs to track components during routine inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "Percent of spot maintenance" refers to the percentage of total rails laid in replacement that are considered to be spot maintenance.
3. In line 9, the average cost of new and relay rail should include the cost of loading at the point of purchase ready for shipment, freight charges paid to foreign lines, and the cost of handling rails in general supply and storage yards. The cost of unloading, hauling over carrier's own lines, and placing the rails in tracks and of train service in connection with the distribution of rails should not be included in this schedule.

Line No.	Track Category (a)	Miles of rail laid in replacement (rail-miles)				Total		Percent of Spot Maintenance (h)*	Line No.	
		New rail		Relay rail						
		Welded rail (b)	Bolted rail (c)	Welded rail (d)	Bolted rail (e)	Welded rail (f)	Bolted rail (g)			
1	A	760.04	1.67	7.46	-	767.50	1.67	3.00	1	
2	B	156.26	5.27	49.59	7.98	205.85	13.25	3.00	2	
3	C	14.80	4.39	21.02	12.82	35.82	17.21	3.00	3	
4	D	18.86	2.47	51.94	13.08	70.80	15.55	3.00	4	
5	E	4.67	0.95	38.20	26.45	42.87	27.40	3.00	5	
6	TOTAL	954.63	14.75	168.21	60.33	1,122.84	75.08	3.00	6	
7	F	-	-	-	-	-	-	0.00	7	
8	Potential abandonments	-	-	-	-	-	-	0.00	8	
9	Average cost of new and relay rail laid in replacement per gross ton:				New	\$ 923.71	Relay	\$ 181.08		9

* Estimate

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

(Dollars in Thousands)

- Give particulars of all rails applied during the year in connection with the construction of new track.
In column (a) classify the kind of rail applied as follows:
 - New steel rails, Bessemer process.
 - New steel rails, open-hearth process.
 - New rails, special alloy (describe more fully in a footnote).
 - Relay rails.
- Returns in columns (c) and (g) should be reported in WHOLE numbers. Fractions of less than one-half should be disregarded and fractions of one-half or more should be counted as one.
- The returns in columns (d) and (h) should include the cost of loading at the point of purchase ready for shipment, the freight charges paid to foreign lines, and the cost of handling rails in general supply and storage yards. The cost of unloading, hauling over carrier's own lines, and placing the rails in tracks, as well as train service in connection with the distribution of the rail, should not be included in this schedule.

Line No.	Class of rail (a)	Rail Applied in Running Tracks, Passing Tracks, Crossovers, Etc.				Rail Applied in Yard, Station, Team, Industry and Other Switching Tracks				Line No.	
		Weight of rail		Total cost of rail applied in running track, passing track, crossovers, etc., during year (d)	Average cost per ton (2000 lbs) (e)	Weight of rail		Total cost of rail applied in yard, station, team, industry, and other switching track during year (h)	Average cost per ton (2000 lbs) (i)		
		Pounds per yard of rail (b)	Number of tons (2000 lbs) (c)			Pounds per yard of rail (f)	Number of tons (2000 lbs) (g)				
1	2	100	-	-	-	100	-	-	-	1	
2	2	115	-	-	-	115	2	2	1,000	2	
3	2	122	-	-	-	122	-	-	-	3	
4	2	132	-	-	-	132	-	-	-	4	
5	2	136	1,655	1,525	921	136	926	807	871	5	
6	2	141	-	-	-	141	-	-	-	6	
7	4	100	-	-	-	100	-	-	-	7	
8	4	115	-	-	-	115	-	-	-	8	
9	4	132	-	-	-	132	-	-	-	9	
10	4	136	100	45	450	136	152	9	59	10	
11	4	141	-	-	-	141	-	-	-	11	
12										12	
13										13	
14										14	
15										15	
16										16	
17										17	
18										18	
19										19	
20										20	
21										21	
22										22	
23										23	
24										24	
25										25	
26										26	
27										27	
28										28	
29										29	
30										30	
31										31	
32										32	
33										33	
34										34	
35										35	
36										36	
37	Total	N/A	1,755	1,570	895	N/A	1,080	818	757	37	
38	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which rails were laid									5.69	38
39	Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid									1.03	39
40	Track-miles of welded rail installed on system this year				-	Total to date				26,209	40

725. WEIGHT OF RAIL

Give the particulars called for below concerning the road and track operated by respondent at the close of the year. Only the respondent's proportion of jointly owned mileage should be included. Under "Weight of rail," the various weights of rails should be given. Road and track occupied under trackage rights or other form of license should not be included herein, but all road and track held under any form of lease (granting exclusive possession to the lessee) should be included.

Line No.	Weight of rails per yard (pounds) (a)	Line-haul companies (miles of main track) (b)	Switching and terminal companies (miles of all tracks) (c)	Remarks (d)	Line No.
1	70	1.01			1
2	75	1.73			2
3	78	3.99			3
4	80	31.71			4
5	85	44.64			5
6	90	146.76			6
7	100	814.94			7
8	105	140.30			8
9	107	70.40			9
10	110	42.68			10
11	112	625.07			11
12	115	2,438.29			12
13	119	5.32			13
14	120	2.47			14
15	122	2,280.07			15
16	127	473.08			16
17	130	222.71			17
18	131	1,057.06			18
19	132	5,067.20			19
20	133	66.78			20
21	136	3,955.40			21
22	140	1,331.00			22
23	141	2,262.09			23
24	152	4.23			24
25	155	38.07			25
26					26
27					27
28					28
29					29
30					30
31					31
32					32
33					33
34					34
35					35
36					36
37					37
38					38
39					39
40					40
41					41
42					42
43					43
44					44
45					45
46					46
47					47
48					48

726. SUMMARY OF TRACK REPLACEMENTS

1. Furnish the requested information concerning the summary of track replacements.
2. In columns (d), (e), (g), and (j), give the percentage of replacements to units of property in each track category at year end.

Line No.	Track Category (a)	Ties				Rail		Ballast	Track Surfacing		Line No.
		Number of ties replaced		Percent replaced					Miles of rail replaced (rail-miles) (f)	Percent Replaced (g)	
		Crossties (b)	Switch and bridge ties (board feet) (c)	Crossties (d)	Switch and bridge ties (board feet) (e)*						
1	A	1,396,587	3,018,672	4.4	3.6	769.17	3.6	1,819,766	5,173	48.80	1
2	B	1,153,760	1,592,098	5.1	1.9	219.10	1.5	818,277	2,326	31.20	2
3	C	223,797	235,610	3.7	0.9	53.03	1.3	122,848	349	17.20	3
4	D	172,041	177,305	3.3	0.4	86.35	2.5	118,917	338	19.30	4
5	E	318,299	3,114,779	1.4	2.9	70.27	0.4	112,256	319	3.60	5
6	TOTAL	3,264,484	8,138,464	3.7	2.6	1,197.92	2.0	2,992,064	8,505	27.70	6
7	F	-	-	-	-	-	-	-	-	-	7
8	Potential abandonments	-	-	-	-	-	-	-	-	-	8

* Estimate

** Includes smoothing and out-of-face surfacing

750. CONSUMPTION OF DIESEL FUEL

(Dollars in Thousands)

750. CONSUMPTION OF DIESEL FUEL (Dollars in Thousands)			
Line No.	LOCOMOTIVES		Line No.
	Kind of locomotive service (a)	Diesel oil (gallons) (b)	
1	Freight	402,970,429	1
2	Passenger	-	2
3	Yard switching	44,029,492	3
4	TOTAL	446,999,921	4
5	COST OF FUEL \$(000) *	778,197	5
6	Work Train	1,315,695	6

* Show cost of fuel charged to train and yard service (function 67-Loco. Fuels). The cost stated for diesel fuel should be the total charges in the accounts specified, including freight charges and handling expenses. Fuel consumed by mixed and special trains that are predominatly freight should be included in freight service, but where the service of mixed or special trains is predominantly passenger, the fuel should be included in passenger service.

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 755

Unit Train, Way Train, and Through Train data under items 2, 3, 4, 6, and 12 shall be obtained from conductor's wheel reports (freight) or similar reports. Unit train service is a specialized scheduled shuttle type service in equipment (railroad or privately owned) dedicated to such service, moving between origin and destination. The applicable tariffs and/or contracts generally require that a specific minimum tonnage or quantity of carloads be tendered as a unit for shipment on one bill of lading or other shipping document in a solid train for movement between origin and destination. Such tariffs and/or contracts generally contain restricted detention provisions and are subject to time-volume requirements which reflect the approximate capacity of the unit trains for the stated period. Way trains are defined as trains operated primarily to gather and distribute cars in road service and move them between way stations or way points. Through trains are those trains operated between two or more major concentration or distribution points. Do not include unit train statistics in way or through train statistics. A work train is a train operated solely or preponderantly for the purpose of transporting company freight, work ec

work trains should be reported under Item 11, only. Statistics related to company equipment, company employees, and company freight moving in transportation trains are not to be reported in Item 11, but are to be reported in Items 4-17, 6-04, 7-02, 8-04, and 8-05, as instructed in notes I, K, and L.

(A) Report miles of road operated at close of year, excluding industrial tracks, yard tracks, and sidings.

(B) A train-mile is a movement of a train a distance of one mile. In computing train-miles, fractions representing less than one-half mile shall be disregarded and other fractions shall be considered as one mile. Train Miles-Running shall be based on the actual distance run between terminals and/or stations and shall be computed from the official time tables or distance tables. Train-Miles shall not be increased to cover the running of locomotives from shops to terminals, doubling hills, switching, or other work at way stations, or for the service of helper or pusher locomotives or of extra locomotives on double-head or triple-head trains. When the carrier's trains are detoured over foreign roads, the miles shall be computed on the basis of the miles actually run and in accordance with the service performed. Train-miles shall be kept separately for trains hauled by locomotives and trains moved by motorcars.

(C) A motorcar is a self-propelled unit of equipment designed to carry freight or passengers, and is not considered a locomotive.

(D) A locomotive is a self-propelled unit of equipment designed solely for moving other equipment. A locomotive unit-mile is a movement of a locomotive unit a distance of one mile under its own power. Include miles made by all locomotive units. Exclude miles made by motorcars. Miles of locomotives in helper service shall be computed on the basis of actual distance run in such service.

(E) All locomotive unit-miles in road service shall be based on the actual distance run between terminals and/or stations. Follow instruction (B) regarding fractions and official time tables for computing locomotive miles.

(F) Train switching locomotive-miles shall be computed at the rate of six miles per hour for the time actually engaged in such service. Include miles allowed train locomotives for performing switching service at terminals and way stations.

(G) Yard switching locomotive-miles shall be computed at the rate of six miles per hour for the time actually engaged in yard switching service. Include miles allowed for yard locomotives for switching service in yards where regular switching service is maintained and in terminal switching and transfer service.

(H) A car-mile is a movement of a unit of car equipment a distance of one mile. Use car designations shown in Schedule 710. Under Railroad Owned and Leased Cars, Items 4-01 and 4-11, report both foreign cars and respondents' own cars while on the line of the respondent railroad. In Items 4-13 and 4-15, report private-line cars and shipper owned cars. Loaded and empty miles should be reported whether or not the railroad reimbursed the owner on a loaded and/or empty mile basis. Report miles made by flatcars carrying empty highway trailers that are not moving under revenue billings as empty freight car-miles. Do not report miles made by motorcars or business cars.

(I) Exclude from Items 4-01, 4-11, 4-13, and 4-5, car-miles of work equipment, cars carrying company freight, and non-revenue private line cars moving in transportation trains. Include such car-miles in Item 4-17, 4-18, and 4-19. If private line cars move in revenue service, the loaded and empty miles should not be considered no-payment or non-revenue car-miles.

(J) Report miles actually run by passenger-train cars in transportation service. Passenger-train car-miles include miles run by coaches and cars in which passengers are carried at regular tariff fares without extra charge for space occupied; miles run by combination passenger and baggage, passenger and mail, passenger and express; miles run by sleeping, parlor, and other cars for which an extra fare is charged; miles run by dining, cafe, and other cars devoted exclusively to the serving of meals and other refreshments and by club, lounge, and observation cars; and miles run by other passenger-train cars where services are combined, such as baggage, express, and mail.

(K) From conductor's or dispatcher's train reports or other appropriate sources, compute weight in tons (2,000 pounds). Item 6-01 includes weight of all locomotive units moved one mile in transportation trains. Ton-miles of motorcars should be excluded. Items 6-02 and 6-03 represent tons behind locomotive units (cars and contents, cabooses) moved one mile in transportation trains (excluding non-revenue gross ton-miles). Nonrevenue gross ton-miles in transportation trains include work equipment and cars carrying company freight and their contents. Use 150 pounds as the average weight per passenger and four tons as the average weight of contents of each head-end car.

(L) From conductor's train reports or other appropriate sources, compute ton-miles of freight. Ton-miles represent the number of tons of revenue and nonrevenue freight moved one mile in a transportation train. Include net ton-miles in motorcar trains. Exclude l.c.l. shipment of freight handled in mixed baggage express cars. Total ton-miles of revenue freight should correspond to the ton-miles reported on Form CBS.

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 755 - (Concluded)

(M) Road service represents elapse time of transportation trains (both ordinary and light) between the time of leaving the initial terminals and the time at final terminals, including trains switching at way stations and delays on road as shown by conductor's or dispatcher's train reports. Include time of motorcar service performed by train locomotives at terminals and way stations. Report in Item 9-02, train switching hours included in Item 9-01. Train switching is the time spent by the train while performing switching service at terminals and way stations where no regular yard service is maintained. A train hour is independent of the number of locomotives in the train.

(N) Yard switching hours are hours expended in switching service performed by yard crews in yards where regular switching service is maintained, including switching and transfer service in connection with the transportation of revenue and incidentally of company freight. Hours in yard switching are independent of the number of locomotives used.

(O) Work-train miles include the miles run by trains engaged in company service such as official inspection; inspection trains for railway commissioners for which no revenue is received; trains running special with fire apparatus to save carrier's property from destruction; trains run for transporting the carrier's employees to and from work when no transportation charge is made; wrecking trains run solely for the purpose of transporting company material; trains run for distributing material and supplies for use in connection with operations; and all other trains used in work-train services. Exclude miles run by locomotives while engaged incidentally in switching company materials in company shops or material yards in connection with regular yard switching service or in switching equipment for repairs between yards and shops.

(P) The number of loaded freight cars shall be obtained from the conductors' wheel report and shall be the sum of all loaded cars handled by each train. For example, if a car moves loaded (1) in a way train from the origination points, (2) in two through trains, and (3) in a way-train to the destination point, the total count of loaded cars would be four: two counts for the movements in the way trains and two counts for the movements in through trains. Therefore, each car originated or received from a connecting carrier receives an initial count, plus one count for each subsequent physical transfer between trains on respondent's lines. No additional count is given because of crew change or changes in track identification number unless there is a physical transfer of the car between trains. Each car moving under revenue billing shall be considered as a loaded car.

(Q) Report vehicles (TOFC trailers/containers, automobiles and trucks) loaded and unloaded to and from TOFC and multiple level freight cars when the work is performed at the railroad's expense.

(R) Report the number of loaded revenue trailers/containers picked up, plus revenue trailers/containers delivered in TOFC/COFC and in highway interchange service, when the work is performed at the railroad's expense. (Performed at railroad's expense means that railroad employees perform the service or that the railroad hires a subsidiary or outside contractor to perform the service.) Do not include those trailers/containers which are picked up or delivered by a shipper or motor carrier, etc. when a tariff provision requires that the shipper or motor carrier, etc., and not the railroad, perform that service. Note: The count should reflect the trailers/containers for which expenses are reported in Schedule 417, line 2, column (b).

(S) Report under Marine Terminals, Item 16, the tons loaded onto and unloaded from marine vessels at the expense of the reporting railroad.

(T) Report the total number of foreign railroad cars on line at the end of the year (except surplus cars, see below). Foreign railroad cars refers to freight cars owned by other railroads whose interline rental is settled on time (by hour) and actual line-haul mileage charges under the Code of Car Hire Rules.

Carriers will be governed by local conditions in determining whether a car at an interchange point should be considered "on-line." Unserviceable cars include cars on repair tracks undergoing or awaiting repairs. They include cars on repair tracks repaired and awaiting switching, cars on repair tracks undergoing or awaiting repairs switching, cars awaiting movement to repair tracks held in train yards (excluding cars which are to be repaired in the train yard without loss of time), car moving empty in trains en route to shop, and cars stored awaiting disposition.

Surplus cars are cars which are in serviceable condition for loading on the last day of the year, but have not been placed for loading within 48 hours. This count can be an annual average based on weekly count of cars that have not been placed for loading within 48 hours.

(U) Flat-TOFC/COFC Car-miles reported in lines 25 (4-020), 41 (4-120), 57 (4-140), and 75 (4-160) will be computed using cars rather than constructed container platforms. For example, an articulated car consisting of five platforms moved one mile will be counted as one car-mile, not five car-miles.

(V) The Intermodal Load Factor reported on Line 134 will be calculated for the average number of intermodal (TOFC/COFC) units loaded on the average intermodal car. Units are to be calculated in the same manner as Line 123 (13 TOFC/COFC - No. of Revenue Trailers & Containers Loaded and Unloaded (Q)). Intermodal cars will be calculated in accordance with instruction U for reporting Flat-TOFC/COFC Car-miles. Both intermodal (TOFC/COFC) units and intermodal cars are to be calculated using actual units and not constructed intermodal (TOFC/COFC) units or cars.

755. RAILROAD OPERATING STATISTICS					
Line No.	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No.
1		1 Miles of Road Operated (A)	21,190		1
2		2 Train Miles - Running (B)			
		2-01 Unit Trains	18,671,722	XXXXXXX	2
3		2-02 Way Trains	11,945,968	XXXXXXX	3
4		2-03 Through Trains	43,273,833		4
5		2-04 TOTAL TRAIN MILES (Lines 2-4)	73,891,523	-	5
6		2-05 Motorcars (C)	-	-	6
7		2-07 TOTAL ALL TRAINS (Lines 5 and 6)	73,891,523	-	7
		3 Locomotive Unit Miles (D)			
		Road Service (E)			
8		3-01 Unit Trains	41,081,113	XXXXXXX	8
9		3-02 Way Trains	15,017,747	XXXXXXX	9
10		3-03 Through Trains	109,510,055		10
11		3-04 TOTAL (Lines 8-10)	165,608,915	-	11
12		3-11 Train Switching (F)	5,976,954	XXXXXXX	12
13		3-21 Yard Switching (G)	13,082,200		13
14		3-31 TOTAL ALL SERVICES (Lines 11-13)	184,668,069	-	14
		4 Freight Car-Miles (thousands) (H)			
		4-01 RR Owned and Leased Cars - Loaded			
15		4-010 Box-Plain 40-Foot	-	XXXXXXX	15
16		4-011 Box-Plain 50-Foot and Longer	6,814	XXXXXXX	16
17		4-012 Box-Equipped	143,774	XXXXXXX	17
18		4-013 Gondola-Plain	119,195	XXXXXXX	18
19		4-014 Gondola-Equipped	49,093	XXXXXXX	19
20		4-015 Hopper-Covered	139,712	XXXXXXX	20
21		4-016 Hopper-Open Top-General Service	78,282	XXXXXXX	21
22		4-017 Hopper-Open Top-Special Service	41,238	XXXXXXX	22
23		4-018 Refrigerator-Mechanical	15,281	XXXXXXX	23
24		4-019 Refrigerator-Non-Mechanical	12,646	XXXXXXX	24
25		4-020 Flat-TOFC/COFC	109,505	XXXXXXX	25
26		4-021 Flat-Multi-Level	22,765	XXXXXXX	26
27		4-022 Flat-General Service	327	XXXXXXX	27
28		4-023 Flat-All Other	31,248	XXXXXXX	28
29		4-024 All Other Car Types-Total	5,961	XXXXXXX	29
30		4-025 TOTAL (Lines 15-29)	775,841	XXXXXXX	30

755. RAILROAD OPERATING STATISTICS - (Continued)

Line No.	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No.
31		4-11 RR Owned and Leased Cars - Empty 4-110 Box-Plain 40-Foot	-	XXXXXXX	31
32		4-111 Box-Plain 50-Foot and Longer	6,471	XXXXXXX	32
33		4-112 Box-Equipped	137,648	XXXXXXX	33
34		4-113 Gondola-Plain	115,663	XXXXXXX	34
35		4-114 Gondola-Equipped	56,503	XXXXXXX	35
36		4-115 Hopper-Covered	145,646	XXXXXXX	36
37		4-116 Hopper-Open Top-General Service	76,262	XXXXXXX	37
38		4-117 Hopper-Open Top-Special Service	43,832	XXXXXXX	38
39		4-118 Refrigerator-Mechanical	14,182	XXXXXXX	39
40		4-119 Refrigerator-Non-Mechanical	12,644	XXXXXXX	40
41		4-120 Flat-TOFC/COFC	11,584	XXXXXXX	41
42		4-121 Flat-Multi-Level	15,447	XXXXXXX	42
43		4-122 Flat-General Service	296	XXXXXXX	43
44		4-123 Flat-All Other	31,133	XXXXXXX	44
45		4-124 All Other Car Types-Total	2,897	XXXXXXX	45
46		4-125 TOTAL (Lines 31-45)	670,208	XXXXXXX	46
47		4-13 Private Line Cars - Loaded (H) 4-130 Box-Plain 40-Foot	-	XXXXXXX	47
48		4-131 Box-Plain 50-Foot and Longer	9,629	XXXXXXX	48
49		4-132 Box-Equipped	19,208	XXXXXXX	49
50		4-133 Gondola-Plain	165,315	XXXXXXX	50
51		4-134 Gondola-Equipped	37,273	XXXXXXX	51
52		4-135 Hopper-Covered	307,991	XXXXXXX	52
53		4-136 Hopper-Open Top-General Service	95,098	XXXXXXX	53
54		4-137 Hopper-Open Top-Special Service	224,344	XXXXXXX	54
55		4-138 Refrigerator-Mechanical	19,661	XXXXXXX	55
56		4-139 Refrigerator-Non-Mechanical	904	XXXXXXX	56
57		4-140 Flat-TOFC/COFC	264,129	XXXXXXX	57
58		4-141 Flat-Multi-Level	149,194	XXXXXXX	58
59		4-142 Flat-General Service	101	XXXXXXX	59
60		4-143 Flat-All Other	38,876	XXXXXXX	60
61		4-144 Tank Under 22,000 Gallons	122,860	XXXXXXX	61
62		4-145 Tank - 22,000 Gallons and Over	206,611	XXXXXXX	62
63		4-146 All Other Car Types-Total	12,417	XXXXXXX	63
64		4-147 TOTAL (Lines 47-63)	1,673,611	XXXXXXX	64

755. RAILROAD OPERATING STATISTICS - (Continued)

Line No.	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No.
65		4-15 Private Line Cars - Empty (H)			
66		4-150 Box-Plain 40-Foot	-	XXXXXXX	65
67		4-151 Box-Plain 50-Foot and Longer	7,568	XXXXXXX	66
68		4-152 Box-Equipped	15,413	XXXXXXX	67
69		4-153 Gondola-Plain	152,759	XXXXXXX	68
70		4-154 Gondola-Equipped	29,253	XXXXXXX	69
71		4-155 Hopper-Covered	255,816	XXXXXXX	70
72		4-156 Hopper-Open Top-General Service	92,392	XXXXXXX	71
73		4-157 Hopper-Open Top-Special Service	212,798	XXXXXXX	72
74		4-158 Refrigerator-Mechanical	10,882	XXXXXXX	73
75		4-159 Refrigerator-Non-Mechanical	803	XXXXXXX	74
76		4-160 Flat-TOFC/COFC	26,148	XXXXXXX	75
77		4-161 Flat-Multi-Level	85,697	XXXXXXX	76
78		4-162 Flat-General Service	14	XXXXXXX	77
79		4-163 Flat-All Other	34,849	XXXXXXX	78
80		4-164 Tank Under 22,000 Gallons	120,857	XXXXXXX	79
81		4-165 Tank - 22,000 Gallons and Over	204,997	XXXXXXX	80
82		4-166 All Other Car Types-Total	4,803	XXXXXXX	81
83		4-167 TOTAL (Lines 65-81)	1,255,049	XXXXXXX	82
84		4-17 Work Equipment and Company Freight Car-Miles	37,755	XXXXXXX	83
85		4-18 No Payment Car-Miles (I) <1>	184,156	XXXXXXX	84
86		4-19 Total Car-Miles by Train Type (Note)			
87		4-191 Unit Trains	1,682,376	XXXXXXX	85
88		4-192 Way Trains	215,225	XXXXXXX	86
89		4-193 Through Trains	2,699,019	XXXXXXX	87
		4-194 TOTAL (Lines 85-87)	4,596,620	XXXXXXX	88
		4-20 Caboose Miles	156	XXXXXXX	89

<1> Total number of loaded miles 0 and empty miles 0 by roadrailer reported above.

NOTE: Line 88, total car miles, is equal to the sum of lines 30, 46, 64, 82, 83, and 84. Accordingly, the car miles reported on lines 83 and 84 are to be allocated to Lines 85, 86, and 87, and included in the total shown on line 88.

755. RAILROAD OPERATING STATISTICS - Concluded					
Line No.	Check Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No.
98		6 Gross Ton-Miles (thousands) (K)			98
		6-01 Road Locomotives	33,570,126		
99		6-02 Freight Trains, Crs., Cnts., & Caboose			99
		6-020 Unit Trains	138,727,074	XXXXXXX	
100		6-021 Way Trains	13,793,574	XXXXXXX	100
101		6-022 Through Trains	223,851,872	XXXXXXX	101
102		6-03 Passenger-Trains, Crs., & Cnts.	-		102
103		6-04 Non-Revenue	3,795,232	XXXXXXX	103
104		6-05 TOTAL (Lines 98-103)	413,737,878		104
105		7 Tons of Freight (thousands)			
		7-01 Revenue	386,169	XXXXXXX	105
106		7-02 Non-Revenue	1,207	XXXXXXX	106
107		7-03 TOTAL (Lines 105 and 106)	387,376	XXXXXXX	107
108		8 Ton-Miles of Freight (thousands) (L)			
		8-01 Revenue - Road Service	209,248,946	XXXXXXX	108
109		8-02 Revenue - Lake Transfer Service	-	XXXXXXX	109
110		8-03 TOTAL (Lines 108 and 109)	209,248,946	XXXXXXX	110
111		8-04 Non-Revenue - Road Service	1,418,508	XXXXXXX	111
112		8-05 Non-Revenue - Lake Transfer Service	-	XXXXXXX	112
113		8-06 TOTAL (Lines 111 and 112)	1,418,508	XXXXXXX	113
114		8-07 TOTAL - REVENUE & NON-REVENUE (Lines 110 and 113)	210,667,454	XXXXXXX	114
115		9 Train Hours (M)			
		9-01 Road Service	3,936,119	XXXXXXX	115
116		9-02 Train Switching	996,159	XXXXXXX	116
117		10 TOTAL YARD-SWITCHING HOURS (N)	2,180,368	XXXXXXX	117
118		11 Train-Miles Work Trains (O)			
		11-01 Locomotives	375,913	XXXXXXX	118
119		11-02 Motorcars	-	XXXXXXX	119
120		12 Number of Loaded Freight Cars (P)			
		12-01 Unit Trains	2,584,140	XXXXXXX	120
121		12-02 Way Trains	3,582,079	XXXXXXX	121
122		12-03 Through Trains	10,493,513	XXXXXXX	122
123		13 TOFC/COFC - No. of Revenue Trailers & Containers Loaded and Unloaded (Q)	2,868,001	XXXXXXX	123
124		14 Multi-Level Cars - No. of Motor Vehicles Loaded & Unloaded (Q)	2,132,754	XXXXXXX	124
125		15 TOFC/COFC - No. of Revenue Trailers Picked Up & Delivered (R)	-	XXXXXXX	125
126		16 Revenue-Tons Marine Terminal (S)			
		16-01 Marine Terminals - Coal	5,511,717	XXXXXXX	126
127		16-02 Marine Terminals - Ore	3,082,678	XXXXXXX	127
128		16-03 Marine Terminals - Other	190,988	XXXXXXX	128
129		16-04 TOTAL (Lines 126-128)	8,785,383	XXXXXXX	129
130		17 Number of Foreign Per Diem Cars on Line (T)			
		17-01 Serviceable	17,612	XXXXXXX	130
131		17-02 Unserviceable	96	XXXXXXX	131
132		17-03 Surplus	-	XXXXXXX	132
133		17-04 TOTAL (Lines 130-132)	17,708	XXXXXXX	133
134		TOFC/COFC - Average No. of Units Loaded Per Car	4.00	XXXXXXX	134

VERIFICATION

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

OATH

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

State of Florida

County of Duval

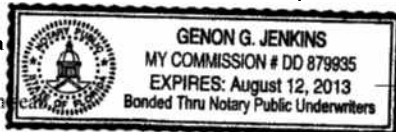
Carolyn T. Sizemore makes oath and states that he (she) is Vice President and Controller
 (insert here name of the affiant) (insert here the official title of the affiant)
 of CSX TRANSPORTATION, INC.
 (insert here the exact legal title or name of the respondent)

that it is his or her duty to have supervision over the books of accounts of the respondent and to control the manner in which such books are kept; that he or she knows that such books have been kept in good faith during the period covered by this report; that he or she knows that the entries contained in this report relate to accounting matters that have been prepared in accordance with the provisions of the Uniform System of Accounts for Railroad Companies and other accounting and reporting directives of the Surface Transportation Board; that he or she believes that all other statements of fact contained in this report are true, and that this report is a correct and complete statement, accurately taken from the books and records, of the business and affairs of the above-named respondent during the period of time from and including December 29, 2007, to and including December 26, 2008.

Carolyn T. Sizemore
 (Signature of affiant)

Subscribed and sworn to before me, a _____ Notary Public _____ in and for the State and county
 above named, this 26th day of MARCH, 2010.
 My commission expires AUGUST 12, 2013

Use an
 LS
 impression seal



Genon G. Jenkins
 (signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

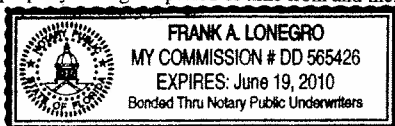
(By the president or other chief officer of the respondent)

State of Florida

County of Duval

Michael J. Ward makes oath and states that he (she) is Chairman of the Board, President, and Chief Executive Officer
 (insert here name of the affiant) (insert here the official title of the affiant)
 of CSX TRANSPORTATION, INC.
 (insert here the exact legal title or name of the respondent)

that he or she has carefully examined the foregoing report; that he or she believes that all statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and affairs of the above-named respondent and the operations of its property during the period of time from and including December 29, 2007, to and including December 26, 2008.



Michael Ward
 (Signature of affiant)

Subscribed and sworn to before me, a _____ Notary Public _____ in and for the State and county
 above named, this 29th day of March, 2010.
 My commission expires 6/19/2010

Use an
 LS
 impression seal

Frank Loneygro
 (signature of officer authorized to administer oaths)

**MEMORANDA
(FOR USE OF BOARD ONLY)
CORRESPONDENCE**

[illegible]

CORRECTIONS

[illegible][illegible]

INDEX

	Page No.
Accumulated depreciation	
Road and equipment leased	
From others	38
Improvements to	38
To others	41
Owned and used	35
Accruals - railway tax	63
Analysis of taxes	63
Application of funds - source	21
Balance sheet	5-9
Capital stock	20
Car, locomotive, and floating equipment - classification	78-83
Changes in financial position	21-22
Company service equipment	79
Compensating balances and short-term borrowing arrangements	67
Consumption of fuel by motive power units	91
Contingent assets and liabilities	8
Crossties (see Ties)	
Debt holdings	69
Depreciation base and rates	
Road and equipment leased	
From others	34
Improvements to	32-33
To others	40
Owned and used	34
Electric locomotive equipment at close of year	68
Equipment - classified	78-83
Company service	79
Floating	82-83
Freight-train cars	80-81
Highway revenue equipment	82-83
Passenger-train cars	78-79
Inventory	78-83
Owned - Not in service of respondent	78
Equipment leased, depreciation base and rate	
From others	34
Improvements to	37
Reserve	38
To others	40
Reserve	41
Equipment owned, depreciation base rates	34
Reserve	35
Expenses - railway operating	45-53
Extraordinary items	17
Federal income taxes	63
Financial position - changes in	21-22
Floating equipment	82-83
Freight cars loaded	94
Freight-train cars	80-81
Freight car-miles	94
Fuel consumed - diesel	91
Cost	91
Funded debt (see Debt holdings)	
Guaranties and suretyships	66
Identity of respondent	2
Items in selected income and retained earnings accounts	65
Investments in common stock of affiliated companies	30
Investments and advances of affiliated companies	26-29
Railway property used in transportation service	42-43
Road and equipment	32-33
Changes during year	32-33
Leased property - improvements made during the year	32-33
Leases	61
Locomotive equipment	78
Electric and other	78
Consumption of diesel fuel	91
Locomotive unit miles	94

INDEX (Concluded)

	Page No.
Mileage - Average of road operated	85
Of new tracks in which rails were laid	88
Of new tracks in which ties were laid	87
Miscellaneous items in retained income accounts for the year	65
Motorcar car miles	94
Motor rail cars owned or leased	79
Net income	17
Oath	98
Operating expenses (see Expenses)	
Revenues (see Revenues)	
Statistics (see Statistics)	
Ordinary income	16
Private line cars loaded	95
Private line cars empty	95
Rails	
Laid in replacement	88
Charges to operating expenses	45
Additional tracks, new lines, and extensions	89
Miles of new tracks in which rails were laid	88
Weight of	89
Railway - Operating expenses	45-53
Railway - Operating revenues	16
Results of operations	16-17
Retained income unappropriated	19
Miscellaneous items in accounts for year	65
Revenues	
Freight	16
Passenger	16
Road and Equipment - Investment in	32-33
Improvements to leased property	32-33
Reserve	38
Leased to others - Depreciation base and rates	40
Reserve	41
Owned - Depreciated base and rates	34
Reserve	35
Used - Depreciation base and rates	34
Reserve	35
Road - Mileage operated at close of year	74
By states and territories	75
Securities (see Investments)	
Short-term borrowing arrangements - compensating balances and	67
Sinking funds	7
Source and application of working capital	21-22
Specialized service subschedule	60
Statement of changes in financial position	21-22
Stock outstanding	20
Changes during year	20
Number of security holders	3
Total voting power	3-4
Value per share	3
Voting rights	3
Supporting schedule - road	56-57
Suretyships - Guaranties and	66
Ties laid in replacement	86
Ties - Additional tracks, new lines, and extensions	87
Tracks operated at close of year	74
Miles of, at close of year	75
Track and traffic conditions	85
Train hours, yard switching	97
Train miles	94
Tons of freight	97
Ton-miles of freight	97
TOFC/COFC number of revenue trailers and containers - loaded & unloaded	97
Voting powers and elections	3
Weight of rail	90