THE NEW YORK CENTRAL RAILROAD COMPANY

ST. CLAIR SUBDIVISION PROPOSED ABANDONMENT

STATEMENT SHOWING

ESTIMATED REHABILITATION COST AND FUTURE MAINTENANCE COSTS

FOR CONTINUANCE OF OPERATION (REVISED)

Relay 5.09 Miles Track with 105# Relayer Rail.
Relay 0.28 Miles Track with 100# Relayer Rail.
Renew 4 Turnouts with 105# S.H. Material.
Install 54,145 New No. 3 Ties.
Mannix Plow Plus Reballast 73.38 Miles Track.

REHABILITATION COSTS:

Track Material Required $705,675.
Track Labour Required $226,110.
Work Train Service $27,370.
Equipment Rental $23,245.
B&B Department Cost $10,085.
Signal Department Cost $4,350.
Equipment Depreciation $4,922.

Less Salvage Credit $68,140.

Net Total Rehabilitation Cost $977,620.

ESTIMATED MAINTENANCE OF WAY DEPARTMENT

FUTURE MAINTENANCE:

<table>
<thead>
<tr>
<th>Year</th>
<th>Track Department</th>
<th>B &amp; B Department</th>
<th>Signal Department</th>
<th>Communications Dept.</th>
<th>Equipment Depreciation</th>
<th>Estimated Maintenance of Way Cost</th>
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</thead>
<tbody>
<tr>
<td>1960-1964</td>
<td>$182,792.</td>
<td>2,017.</td>
<td>870.</td>
<td>225.</td>
<td>9,845.</td>
<td>$195,749.</td>
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<td>1965 and Inclusive</td>
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<td>$113,784.</td>
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* Year 1959 Maintenance costs determined by combining actual costs incurred from January 1, 1959 to August 31, 1959, with estimated costs for final four months of year. Year 1959 Maintenance reflects heavily deferred Maintenance predicated on abandonment of St. Clair, Oil Springs and Petrolia Subdivisions.

** Maintenance of Way costs for the years 1960 to 1964, inclusive, are considered to be equal to one-fifth of the rehabilitation cost plus $225 Communication Dept. expense (1/5 of $977,620, plus $225).

** Note: Rehabilitation cost based on 25 miles per hour operation.