

§ 250.3

R-2 as appropriate, including the sub-accounts comprising line 2 (railway operating expenses), as specified by lines 64, 92, 105, 159, 166, and 180 of Schedule 320; and

(ii) Forecasted year-end balance sheets in account form and detail similar to that required in Schedule 200 of annual report R-1 or R-2, as appropriate. These spread sheets shall be accompanied by a statement setting forth the bases for such forecasts.

(12) As Exhibit 12, a spread sheet showing changes in financial position for the year in which the application is filed in account form and detail as required in Schedule 309 of annual report R-1 and R-2 as appropriate as follows:

(i) For that period ending on the date of the unaudited balance sheet in Exhibit C, based upon actual data; and

(ii) For that period from the balance sheet date to the end of the year, based upon estimated and forecasted data.

(13) As Exhibit 13, a spread sheet showing forecasted changes in financial position for each of the four calendar years subsequent to the year in which the application is filed, both before and after giving effect to any funds requested in the application and including a statement showing the bases for such estimates, in account form and detail as required in Schedule 309 of the annual Report R-1 for Class I railroads in similar form and detail for Class II railroads.

(14) As Exhibit 14, a statement showing actual cash balance at the beginning of each month and the actual cash receipts and disbursements during each month of the current year to the date of the latest balance sheet furnished as Exhibit 8, together with a monthly forecast (both before and after giving effect to use of proceeds from the proposed loan) for the balance of the current year and the year subsequent thereto.

(15) As Exhibit 15, a general statement setting forth the facts as to estimated prospective earnings and other funds upon which applicant relies to repay the loan.

(b) The following exhibits are required as to the transaction.

(1) As Exhibit 16, copies of correspondence from all, and not less than three, lending institutions or security

underwriters to which application for the financing has been made, evidencing that they have declined the financing unless guaranteed by the Secretary or specifying the terms upon which they will undertake the financing without such guarantee.

(2) As Exhibit 17, specimens, or forms where specimens are not available, of all securities to be pledged or otherwise issued in connection with the proposed loan; and in case of mortgage, a copy of the mortgage or indenture.

(3) As Exhibit 18, copies of the loan agreement entered into, or to be entered into, between the Trustee and lender, and of any agreements or instruments executed or to be executed in connection with the proposed loan.

[44 FR 23852, Apr. 23, 1979]

§ 250.3 Fees.

On date of final payment of the loan guaranteed by the Secretary pursuant to application filed under this part, the applicant carrier or the trustee, if still in existence, shall pay, or cause to be paid, to the Administrator as a guarantee fee such amount as the Administrator hereafter may determine and prescribe as necessary to cover the administrative costs of carrying out the provisions of the Emergency Rail Services Act of 1970.

§ 250.4 Execution and filing of application.

The following procedure shall govern the execution and filing of the application:

(a) The original application shall bear the date of execution and be signed with ink by or on behalf of the trustee and the lender. Execution on behalf of the trustee shall be by the trustee or trustees having knowledge of the matters therein set forth. Persons signing the application on behalf of the trustee and lender, respectively, shall also sign a certificate in form as follows:

(Name of official) _____
certifies that he is the
_____ (title of official) of
the _____ (name of carrier
or lender); that he is authorized on the part

Federal Railroad Administration, DOT

§ 250.5

of said applicant to sign and file with the Administrator this application and exhibits attached thereto; that he has carefully examined all of the statements contained in such application and the exhibits attached thereto and made a part thereof relating to the aforesaid _____ (name of carrier or lender); that he has knowledge of the matters set forth therein and that all such statements made and matters set forth therein are true and correct to the best of his knowledge, information, and belief.

(Date)

(b) There shall be made a part of the original application the following certificate by the Chief Accounting Officer of the carrier:

(Name of officer) _____,
certifies that he is _____,
(title of officer) of _____

(name of carrier applicant); that he has supervision over the books of account and other financial records of the carrier and has control over the manner in which they are kept; that such accounts are maintained in good faith in accordance with the effective accounting and other orders of the Interstate Commerce Commission; that he has examined the financial statements and supporting schedules included in this application and to the best of his knowledge and belief said statements accurately reflect the accounts as stated in the books of account; and that, other than the matters set forth in the exceptions attached to such statements, said financial statements and supporting schedules represent a true and complete statement of the financial position of the carrier applicant and that there are no undisclosed assets, liabilities, commitments to purchase property or securities, other commitments, litigation in the courts, contingent rental agreements, or other contingent transactions which might materially affect the financial position of the carrier applicant.

(Date)

(c) The original application and supporting papers, and six copies thereof for the use of the Administrator shall be filed with the Administrator, Federal Railroad Administration, Department of Transportation, Washington, DC. Simultaneously, one copy of the application and supporting papers shall be filed with the Secretary of the Interstate Commerce Commission, Washington, DC. Each copy shall bear the dates and signatures that appear in the original and shall be complete in itself, but the signatures in the copies may be stamped or typed. If unusual difficulties arise in the furnishing of any of

the exhibits required in § 250.2, the carrier applicant or the lender, upon appropriate showing and with the consent of the Administrator, may file a lesser number.

(d) In the event the furnishing of exhibits in the detail required by § 250.2 is shown by the applicant or applicants to be unduly burdensome in relation to the nature and amount of the loan, the Administrator may modify the requirements of said section. In addition, the Administrator may waive or modify any requirement of this part upon good cause shown, or make any additional requirements he deems necessary.

§ 250.5 General instructions.

(a) If the application is approved by the Administrator and the Secretary of Transportation and the latter agrees to make the guarantee, the following documents will be required for deposit with the Administrator before the transaction is closed:

(1) Final opinion by counsel for the Trustee to the effect that he is familiar with the corporate powers of the carrier applicant and the orders of the reorganization court; that the Trustees of the carrier applicant are authorized to execute and deliver the certificate or other obligations evidencing the same, and to pledge and hypothecate any securities pledged as collateral; that the certificate or other obligations so executed and so delivered constitute the valid and binding obligations of the Trustees of the carrier that the certificate or other obligations of the Trustee will be treated as an expense of administration and receive the highest lien on the railroads property and priority in payment under the Bankruptcy Act, and that the lender and the Secretary will obtain a lien on any security involved of the rank and priority represented by the Trustee. Such opinion shall also cover the priority and lien of each item of the collateral offered.

(2) Certified copies of the reorganization court orders and decrees authorizing the Trustee to execute and deliver the certificates or other obligations and to give the security under and according to the terms of the loan and guarantee as prescribed by the Administrator. Such order or orders of