

Depreciated Value Statement

November 8, 2018

Mr. Thomas Freitas
Visionary
RailTech Software Systems
123 Any Street
USA, CA 94519

Mr. Thomas Freitas

Your letter and/or telegram of *November 7, 2018* file number: *DEMO-201811*
requesting AAR depreciated value of car **TEST 123456** damaged at *Oakland, California*
on *October 31, 2018* **Car sent home and will be retired**

Built Date: 1995-6	Kind: H	Tare Weight 62,500	Non-Metallic: 2,500
		(Steel: 48,950 Alum: 10,000 Stainless: 1,050)	
		<i>Steel Weight equals (Tare Weight - [Aluminum + Stainless + Non-Metallic])</i>	
A.	Original Cost		55,000.00
B.	Cost Factor of 117 for year built		
C.	Cost Factor of 209 for year prior to damage		
D.	Adjusted Reproduction Cost (A X C / B)		98,248.00
E.	Adjusted Reproduction cost of Betterments		0.00
F.	TOTAL Reproduction Cost (D)		98,248.00
G.	Less Depreciation 23 years 4 months @ 2.600 % = 60.66 %		59,595.00
H.	AAR Depreciated Value (F-G) + E		38,653.00
I.	Salvage Value (Steel: 48950 * 0.17) (Alum: 10000 * 0.56) (Stainless: 1050 * 0.48)		(14,426.00)
J.	Dismantling		6,462.00
	Unloading Allowance Carrying Equipment: XYZ 3333		1,133.00
K.	Settlement Value		<u>31,822.00</u>

Special Instructions:

This has been a test of the emergency broadcast system in your area. Had this been an actual alert, you would be in big, big trouble!

If settlement is preferred, furnish your letter authorizing bill versus your company.

Sincerely,

Thomas Freitas
Manager, AAR Billing