B.C.D. 02-9

EMPLOYER STATUS DETERMINATION
Rail-Ways, Inc.

FEB 05 2002

This is the determination of the Railroad Retirement Board concerning the continuing status of Rail-Ways, Inc. (RWI) as an employer under the Railroad Retirement Act (45 U.S.C. § 231, et seq.) (RRA) and the Railroad Unemployment Insurance Act (45 U.S.C. § 351, et seq.) (RUIA). RWI (B.A. No. 2790) was determined to be an employer under the RRA and RUIA effective February 23, 1998.

On October 26, 2001, John A. Darling, Chief Executive Officer and Designated Representative of RWI, advised that all railroad related operations of RWI ceased on July 31, 2000; that substantially all of its operating assets were sold on December 27, 1999; that its employees were last compensated on February 28, 2001; and that RWI now has no employees and is winding down its affairs under the provisions of the Bankruptcy Code in Chapter 11 Case No. 01-10960 in the United States Bankruptcy Court for the Northern District of California. Mr. Darling noted that RWI, as an agent-operator for another railroad employer, was not required to obtain Surface Transportation Board authority to cease its operations.

In view of the foregoing, it is the determination of the Railroad Retirement Board that Rail-Ways, Inc. ceased to be an employer under the RRA and RUIA on February 28, 2001, the date on which it last compensated its employees.

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