

AUG 31 2004

**EMPLOYER STATUS DETERMINATION
CWRR, Inc. d/b/a California Western Railroad**

This is the determination of the Railroad Retirement Board concerning the continuing status of CWRR, Inc. d/b/a California Western Railroad. (CWRR) (B.A. No. 2782) 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). CWRR has been an employer under the RRA and RUIA with service creditable from August 16, 1996.

According to Mr. Michael H. Meyer, Bankruptcy Trustee for CWRR, CWRR ceased operations and last compensated employees in September 2003. Mr. Meyer further stated that the chapter 11 bankruptcy plan calls for the corporate dissolution of CWRR upon completion of the case and that CWRR's assets were sold pursuant to a court order of December 2003 to Mendocino Railway.¹ The Surface Transportation Board (STB) granted an acquisition exemption to Mendocino Railway to acquire the assets of CWRR. See STB Finance Docket No. 34465, decided April 2, 2004.

Section 202.11 of the Board's regulations provides that:

The employer status of any company or person shall terminate whenever such company or person loses any of the characteristics essential to the existence of an employer status.

Based on the information set forth above, it is the determination of the Railroad Retirement Board that CWRR, Inc. d/b/a California Western Railroad ceased being an employer under the RRA and RUIA as of the close of business on September 30, 2003, the last day of the month in which it last compensated its employees and ceased operations.

Original signed by:

Michael S. Schwartz

V. M. Speakman, Jr.

Jerome F. Kever

¹ Mendocino Railway is being reviewed to determine if it is an employer under the RRA and the RUIA.