

**EMPLOYER STATUS DETERMINATION****Texas, Oklahoma & Eastern Railroad Company**

This is the determination of the Railroad Retirement Board concerning the continuing status of Texas, Oklahoma & Eastern Railroad Company (TOER) (B.A. No. 2826) 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).

Information about TOER was provided by Mr. Wayne Pratt, Payroll Tax Accountant for Weyerhaeuser NR Company, and Mr. Louis E. Gitomer, Attorney for Texas, Oklahoma & Eastern Railroad, LLC. In Surface Transportation Board Finance Docket No. FD 35430, Texas, Oklahoma & Eastern Railroad, LLC filed a verified notice of exemption to acquire and operate approximately 40 miles of rail line from TOER. This transaction was related to a transaction in which Patriot Rail, LLC (a non-covered entity) and its subsidiaries entered into an asset purchase agreement on July 21, 2010, to acquire from Weyerhaeuser NR Company certain rail assets and the rail assets of five of its subsidiaries. TOER ceased operations on December 30, 2010, and employees were last compensated on January 14, 2011 for hours worked through December 30, 2010. All employees of TOER were offered and accepted employment with Texas, Oklahoma & Eastern Railroad, LLC, as well as the DeQueen & Eastern Railroad, LLC<sup>1</sup>. Articles of Dissolution for TOER were filed with the Secretary of State of Oklahoma on December 10, 2010.

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 clear that the character of TOER as a railroad no longer exists inasmuch as all of its railroad assets have been sold and the corporation dissolved. Therefore, it is the determination of the Railroad Retirement Board that Texas, Oklahoma & Eastern Railroad Company ceased being an employer under the RRA and RUIA on December 31, 2010, the date on which it ceased operations and for which it paid its employees.

Original signed by:

FOR THE BOARD  
Martha P. Rico  
Secretary to the Board

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<sup>1</sup> The status of this company as an employer is addressed in a separate decision.