

B.C.D. 14-23

November 14, 2014

**EMPLOYER STATUS DETERMINATION
Quality Logistic Services, LLC (QLS)**

This is a determination of the Railroad Retirement Board concerning the continuing status of Quality Logistic Services, LLC (QLS) (BA No.9246) as an employer under the Railroad Retirement Act (45 U.S.C. §231 et seq.) and the Railroad Unemployment Insurance Act (45 U.S.C. §351 et seq.).

In B.C.D. 01-15, QLS was determined to be an employer under the Railroad Retirement Act and Railroad Unemployment Insurance Act effective May 12, 1998, the date of QLS's formation.

In a letter dated June 18, 2014, Mr. Andy Engeman, General Counsel for OmniTRAX, Inc., on behalf of QLS, stated that QLS ceased operations in 2001 and employees were last compensated on March 31, 2001. Mr. Engeman submitted a copy of the Statement of Dissolution filed by QLS on December 6, 2005 with the Colorado Secretary of State showing QLS would be dissolved effective December 31, 2005. Mr. Engeman stated that as a consequence of the nature of its operations as a transload operation, QLS's assets consisted primarily of hand tools and one fork lift. These items were sold at the time QLS ceased operations to local non-railroad firms, according to Mr. Engeman. Mr. Engeman stated that the Surface Transportation Board (STB) never issued a decision regarding the operating status of QLS since QLS never conducted common carrier rail activities and therefore, QLS did not seek a decision from the STB. Mr. Engeman stated that QLS has no employees, has no relationship with the railroad industry, was not merged into another company, and does not provide any services. The purchasers of the assets were local companies not in the railroad industry, according to Mr. Engeman.

Section 202.11 (20 CFR 202.11) of the Board's regulations states 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.

The evidence of record establishes that QLS no longer possesses the characteristics of an operating railroad company. The Board therefore finds

that effective December 31, 2005, the date of dissolution, Quality Logistic Services, LLC, ceased being a covered employer under the Railroad Retirement and Railroad Unemployment Insurance Acts.

Original signed by:

FOR THE BOARD

Martha P. Rico

Secretary to the Board