

EMPLOYER DETERMINATION**Rocky Mount & Western Railroad Co., Inc.**

This is a determination of the Railroad Retirement Board concerning the continued status of Rocky Mount & Western Railroad Co., Inc (RMW), B.A. No. 2579¹, 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 regarding RMW was provided by Ms. Ellen Oblow, the Chief Financial Officer for Gulf & Ohio Railways, Inc. According to Ms. Oblow, RMW ceased operations on May 25, 2011 and its employees were last compensated on June 8, 2011. She stated that RMW's assets, which included the track, ties, joint bars, locomotive sanding towers, backhoe, customer contracts, and the interchange agreement with CSXT, were sold or assigned to Carolina Coastal Railway, Inc., B.A. No. 5517 (CLNA), whose President is Douglas Golden. Ms. Oblow also stated that any other locomotive and rolling stock not purchased were placed on other Gulf & Ohio Railway railroads that are covered under the Acts. She further stated that RMW does not intend to dissolve as a corporation and has not merged with another company.

In Surface Transportation Board decision decided May 4, 2011 (Finance Docket 35501), CLNA filed a Notice of Exemption to purchase and operate 14.9 miles of railroad line in Nash County, North Carolina that was owned and operated by RMW. The rail line extends between RMW's connection with CSX Transportation, Inc., [B.A. No. 1524 (CSXT)] at milepost 119.9 at Rocky Mount, North Carolina and milepost 143.8 at Momeyer, North Carolina. CLNA purchased RMW's rail assets including both the track and right of way. The consummation of the purchase, as set forth in the Asset Purchase Agreement, was May 25, 2011.

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

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.

¹ According to the Board's records, Rocky Mount & Western Railroad's business name is listed as "Rocky Mount & Western Railroad Company d/b/a Nash County Railroad.

Based upon the information above, Rocky Mount & Western Railroad Company, Inc. no longer possesses the characteristics of an operating rail carrier covered under the RRA and the RUIA. Therefore, effective June 8, 2011, the last date it compensated its employees, Rocky Mount & Western Railroad Company, Inc. ceased being covered as an employer under the RRA and the RUIA.

Original signed by:

FOR THE BOARD

Martha P. Rico

Secretary to the Board