

**EMPLOYER STATUS DETERMINATION
SSP Railroad Holding, LLC**

This is a determination of the Railroad Retirement Board concerning the status of SSP Railroad Holding, LLC (SRHL) 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). The status of SRHL under the Acts has not previously been considered.

SRHL is a newly formed company that is a wholly-owned subsidiary of Severstal US Holding, LLC, which in turn is an indirect subsidiary of OAO Severstal, a publicly-owned Russian Steel Company headquartered in Cherepurets, Russia. SRHL acquired 183 miles of yard and switching tracks of Mittal Steel USA-Railways Inc., in and around Sparrows Point, Maryland. The rail operations at Sparrows Point were previously known as the Patapsco & Back Rivers Railroad Company ("PBR"). PBR was terminated as an employer under the Acts in Board Coverage Decision 03-79. Mr. Tom Russo is the CEO of SRHL. SRHL began operations on May 7, 2008, when it consummated the acquisition of the assets referenced below. SRHL currently has 11 salaried employees and 69 hourly employees.

In Surface Transportation Board (STB) Finance Docket No. 35129, decided April 9, 2008, SRHL filed a verified notice of exemption to acquire and operate approximately 183 miles of railroad line located in and around Sparrows Point, Maryland. SRHL's purchase of the rail lines was part of a purchase by Severstal Sparrows Point Holding Corp., an indirect subsidiary of OAO Severstal, of the steel plant at Sparrows Point owned by the parent corporation of Mittal Railways, ArcelorMittal USA, Inc. SRHL provides in-plant switching services to the Sparrows Point plant and common carrier freight railroad services to the Severstal plant and 15 additional customers for both CSXT and Norfolk Southern Railroad. SRHL does not provide passenger rail services.

Information regarding SRHL was provided by Mr. Richard Allen, Attorney for SRHL. SRHL has certified that its projected annual revenues as a result of this transaction will not exceed those that would qualify it as a Class II railroad.

Section 1(a)(1) of the Railroad Retirement Act (45 U.S.C. § 231(a)(1)), insofar as relevant here, defines a covered employer as:

- (i) any carrier by railroad subject to the jurisdiction of the Surface Transportation Board under Part A of subtitle IV of title 49, United States Code;

Section 1 of the RUIA (45 U.S.C. § 351) contains essentially the same definition, as does section 3231 of the Railroad Retirement Tax Act (26 U.S.C. § 3231).

The evidence of record establishes that SRHL is a rail carrier operating in interstate commerce. Accordingly, it is determined that SSP Railroad Holding, LLC, became an employer within the meaning of section 1(a)(1)(i) of the Railroad Retirement Act and its corresponding provision of the Railroad Unemployment Insurance Act effective May 7, 2008, the date on which it began operations.

Original signed by:

FOR THE BOARD
Beatrice Ezerski
Secretary to the Board