

**EMPLOYER STATUS DETERMINATION
CONNECTICUT RAIL SYSTEMS, INC.**

This is the determination of the Railroad Retirement Board regarding the status of Connecticut Rail Systems, Inc. (CRSI) 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). CRSI has not previously been determined to be an employer under the RRA and RUIA.

Information about CRSI was furnished by Heidi Eddins, General counsel of Providence and Worcester Railroad Company (P&W) the company which owns CRSI.¹ According to information provided by Ms. Eddins, CRSI owns or has operating rights over 111.5 miles pursuant to Interstate Commerce Commission (ICC) class exemption (See Finance Docket No. 32234). CRSI has only two employees, the chief executive officer and the corporate secretary. All rail operations are conducted by P&W pursuant to a service contract. P&W also provides the equipment utilized in the operations of service. According to Ms. Eddins, CRSI, through P&W, provides rail freight service and service to a shipper's asphalt production facility. CRSI began service on the lines it acquired on or about March 15, 1993.

According to the ICC Decision of May 12, 1993 (Finance Docket Nol 32234) CRSI was incorporated by P&W

In order to insulate itself from the financial and legal risks associated with the proposed acquisition. These risks include potential environmental and legal liabilities associated with the acquired properties and future operations on the subject line.

On consummation of the acquisition transaction, CRSI will be operated as a separate class III rail carrier, will market its own rail transportation services to shippers, will file tariffs, will have its own books, records, and accounts, and will enter into its own contracts and lease agreements.

In view of the above the Board finds that Connecticut Rail Systems, Inc. is an employer under the Railroad Retirement and Railroad

¹ Providence and Worcester Railroad Company is a covered employer under the Acts (BA No. 8093).

CONNECTICUT RAIL SYSTEMS, INC.

Unemployment Insurance Acts since March 15, 1993 (the date it commenced service) because it is a class III rail carrier.

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