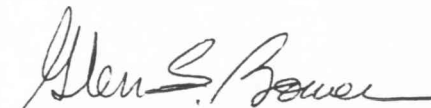


**LAKE ERIE, FRANKLIN & CLARION RAILROAD COMPANY
EMPLOYER STATUS DECISION**


This is the determination of the Railroad Retirement Board concerning the continued status of the Lake Erie, Franklin & Clarion Railroad Company (LEF&C) 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 LEF&C was ruled to be an employer under the Acts administered by the Board effective November 10, 1913.

The Interstate Commerce Commission (ICC) granted LEF&C's petition for exemption to abandon its operations on September 17, 1992 (ICC Docket No. AB-375x, decided September 9, 1992). Effective October 20, 1992, the ICC extended the time for the Mountain Laurel Railroad Company (MNL) to file an offer of financial assistance (OFA) to November 2, 1992, thereby postponing the effective date of the abandonment exemption to November 12, 1992 (ICC Docket No. AB-375x, decided October 16, 1992). MNL did not file an OFA, thus freezing the abandonment date at November 12, 1992. According to Terry R. Zuckerman, President of the LEF&C, in his letters dated January 25, 1993 and June 22, 1993, only one or two employees worked in 1993. Mr. Zuckerman also advised that the last day worked by employees of LEF&C was January 5, 1993, and the operation of track has been abandoned.

In accordance with the information summarized above, it is the Board's decision that the Lake Erie, Franklin & Clarion Railroad Company ceased being an employer under the RRA and RUIA as of the close of business on January 5, 1993, the last day on which it compensated employees.



Glen L. Bower



V. M. Speakman, Jr.



Jerome F. Kever