

AGREEMENT BETWEEN THE
INDIANA HARBOR BELT RAILROAD COMPANY
AND ITS EMPLOYEES
REPRESENTED BY THE
BROTHERHOOD OF LOCOMOTIVE ENGINEERS

Signed March 14, 1997

Effective May 1, 1997

Remains in effect through December 31, 1999 and
thereafter, until changed or modified in accordance
with the provisions of the Railway Labor Act,
as amended.

Covers wages, health & welfare, rules, etc.

RE: Mediation Agreement dated 5-31-96.

May 1, 1997 Agreement between IHB and BLE

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INTERCHANGE

PART THREE

IT IS HEREBY AGREED:

ARTICLE 1 - INTERCHANGE - FOREIGN ROAD CREWS

All temporary Interchange Agreements/Arrangements that were in effect prior to May 1, 1997, are hereby abrogated and the following Agreements shall be in substitution thereof.

Section 1 - Burlington Northern Santa Fe Interchange - Blue Island Yard

- A. BNSF (eastbound) inbound road crew(s) may operate over Indiana Harbor Belt Railroad Company trackage between CP McCook located at Mile Post 28.3 and IHB Blue Island Yard located at Riverdale, Illinois and may terminate BNSF road train(s) at IHB Blue Island Yard, in accordance with the provisions as set forth herein.
1. BNSF road crew(s) shall only handle cars that are a part of their inbound road train(s).
 2. BNSF road crew(s) shall set out their road train(s) at Blue Island Yard on the minimum number of tracks required to hold their train(s).
 3. BNSF road crew(s) shall not do any yard switching or local work at any point or location on IHB.
 4. IHB Blue Island yard crew(s) shall perform all switching involved in breaking up these train(s) and movement of this traffic to connecting carrier(s) and/or industries, in accordance with existing Schedule Agreements between IHB and BLE.
 5. BNSF road crew(s) shall not pick up or set out enroute on IHB.
 6. IHB Engineers shall be used to pilot BNSF road crew(s) over IHB when a pilot is required.
 7. In the event a BNSF (eastbound) inbound road train(s) should break down or a BNSF road crew(s) runs out of time due to the Hours of Service Act on IHB trackage, these train(s) shall be recrewed and delivered to Blue Island Yard by IHB crew(s) or pulled into Blue Island Yard by IHB crew(s), in accordance with existing Schedule Agreements between IHB and BLE.
 8. BNSF road crew(s) may move their locomotive(s) to Blue Island locomotive servicing facility or to other designated points within the confines of Blue Island Yard.
 9. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.
- B. BNSF (westbound) outbound road crew(s) may originate BNSF road train(s) at IHB Blue Island Yard and may operate over Indiana Harbor Belt Railroad Company trackage between Blue Island Yard located at Riverdale, Illinois and CP McCook located at Mile Post 28.3, in accordance with the provisions as set forth herein.
1. BNSF road crew(s) shall only handle cars that are a part of their outbound road train(s).
 2. BNSF road crew(s) shall receive their road train(s) at Blue Island Yard on not to exceed three (3) tracks. These tracks shall be coupled by IHB Blue Island yard crew(s).
 3. BNSF road crew(s) shall not do any yard switching or local work at any point or location on IHB.

Section 1 - Burlington Northern Santa Fe Interchange - Blue Island Yard (Continued)

4. IHB Blue Island yard crew(s) shall perform all switching involved in making up these train(s) for outbound movements, in accordance with existing Schedule Agreements between IHB and BLE.
5. BNSF road crew(s) shall not pick up or set out enroute on IHB.
6. IHB Engineers shall be used to pilot BNSF road crew(s) over IHB when a pilot is required.
7. In the event a BNSF (westbound) outbound road train(s) should break down or a BNSF road crew(s) runs out of time due to the Hours of Service Act on IHB trackage, these train(s) may be recrewed by IHB crew(s) and the method(s) utilized to handle the train(s) to destination shall be in accordance with existing Schedule Agreements between IHB and BLE.
8. BNSF road crew(s) may receive their locomotive(s) at Blue Island locomotive servicing facility or other designated points within the confines of Blue Island Yard.
9. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

Section 2 - Burlington Northern Santa Fe Interchange - Gibson West End Yard (Auto Trains)

BNSF (westbound) outbound road crew(s) may originate BNSF road train(s) (auto trains) at IHB Gibson West End Yard and may operate over Indiana Harbor Belt Railroad Company trackage between Gibson West End Yard located at Hammond, Indiana and CP McCook at Mile Post 28.3, in accordance with the provisions as set forth herein.

1. BNSF road crew(s) shall only handle cars that are a part of their outbound road train(s).
2. BNSF road crew(s) shall receive their road train(s) at Gibson West End Yard on not to exceed three (3) tracks. These tracks shall be coupled by IHB Gibson yard crew(s).
3. BNSF road crew(s) shall not do any yard switching or local work at any point or location on IHB.
4. IHB Gibson yard crew(s) shall perform all switching involved in making up these train(s) for outbound movements, in accordance with existing Schedule Agreements between IHB and BLE.
5. BNSF road crew(s) shall not pick up or set out enroute on IHB.
6. IHB Engineers shall be used to pilot BNSF road crew(s) over IHB when a pilot is required.
7. In the event a BNSF (westbound) outbound road train(s) should break down or a BNSF road crew(s) runs out of time due to the Hours of Service Act on IHB trackage, these train(s) may be re-crewed by IHB crew(s) and the method(s) utilized to handle the train(s) to destination shall be in accordance with existing Schedule Agreements between IHB and BLE.
8. BNSF road crew(s) may receive their locomotive(s) at Gibson Roundhouse or other designated points within the confines of Gibson West End Yard.
9. BNSF road crew(s) may operate "light" between CP McCook and Gibson West End Yard to receive their road train(s).
10. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

Section 3 - SPCSL Corporation Interchange - Blue Island Yard

- A.** SPCSL Corporation (eastbound) inbound road crew(s) may operate over Indiana Harbor Belt Railroad Company trackage between CP Canal located at Argo, Illinois and IHB Blue Island Yard located at Riverdale, Illinois, and may terminate SPCSL Corporation road train(s) at IHB Blue Island Yard, in accordance with the provisions as set forth herein.
1. SPCSL road crew(s) shall only handle cars that are a part of their inbound road train(s).
 2. SPCSL road crew(s) shall set out their road train(s) at Blue Island Yard on the minimum number of tracks required to hold their train(s).
 3. SPCSL road crew(s) shall not do any yard switching or local work at any point or location on IHB.
 4. IHB Blue Island yard crew(s) shall perform all switching involved in breaking up these train(s) and movement of this traffic to connecting carrier(s) and/or industries, in accordance with existing Schedule Agreements between IHB and BLE.
 5. SPCSL road crew(s) shall not pick up or set out enroute on IHB.
 6. IHB Engineers shall be used to pilot SPCSL road crew(s) over IHB when a pilot is required.
 7. In the event a SPCSL Corporation (eastbound) inbound road train(s) should break down or a SPCSL road crew(s) runs out of time due to the Hours of Service Act on IHB trackage, these train(s) shall be recreated and delivered to Blue Island Yard by IHB crew(s) or pulled into Blue Island Yard by IHB crew(s), in accordance with existing Schedule Agreements between IHB and BLE.
 8. SPCSL road crew(s) may move their locomotive(s) to Blue Island locomotive servicing facility or to other designated points within the confines of Blue Island Yard.
 9. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.
- B.** SPCSL Corporation (westbound) outbound road crew(s) may originate SPCSL Corporation road train(s) at IHB Blue Island Yard and may operate over Indiana Harbor Belt Railroad Company trackage between Blue Island Yard located at Riverdale, Illinois and CP Canal located at Argo, Illinois, in accordance with the provisions as set forth herein.
1. SPCSL road crew(s) shall only handle cars that are a part of their outbound road train(s).
 2. SPCSL road crew(s) shall receive their road train(s) at Blue Island Yard on not to exceed three (3) tracks. These tracks shall be coupled by IHB Blue Island yard crew(s).
 3. SPCSL road crew(s) shall not do any yard switching or local work at any point or location on IHB.
 4. IHB Blue Island yard crew(s) shall perform all switching involved in making up these train(s) for outbound movements, in accordance with existing Schedule Agreements between IHB and BLE.
 5. SPCSL road crew(s) shall not pick up or set out enroute on IHB.
 6. IHB Engineers shall be used to pilot SPCSL road crew(s) over IHB when a pilot is required.

Section 3 - SPCSL Corporation Interchange - Blue Island Yard (Continued)

7. In the event a SPCSL Corporation (westbound) outbound road train(s) should break down or a SPCSL road crew(s) runs out of time due to the Hours of Service Act on IHB trackage, these train(s) may be recrewed by IHB crew(s) and the method(s) utilized to handle the train(s) to destination shall be in accordance with existing Schedule Agreements between IHB and BLE.
8. SPCSL road crew(s) may receive their locomotive(s) at Blue Island locomotive servicing facility or other designated points within the confines of Blue Island Yard.
9. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

Section 4 - SPCSL Corporation Interchange - Argo Yard

- A.** SPCSL Corporation (northbound) inbound road crew(s) enroute to Belt Railway of Chicago via CP Canal Interlocking utilizing Indiana Harbor Belt Railroad Company trackage, may set out a block of cars at Argo Yard located at Argo, Illinois, in accordance with the provisions as set forth herein.
1. SPCSL road crew(s) shall set out a block of cars at Argo Yard on the minimum number of tracks required to hold the set out.
 2. SPCSL road crew(s) shall not do any yard switching or local work at any point or location on IHB.
 3. SPCSL road crew(s) enroute to Belt Railway of Chicago via CP Canal Interlocking shall not pick up cars at Argo Yard.
 4. IHB Argo yard crew(s) shall perform all switching involved in breaking up these train(s) and movement of this traffic to connecting carrier(s) and/or industries, in accordance with existing Schedule Agreements between IHB and BLE.
 5. Except as otherwise provided for in Section 4, A. herein, SPCSL road crew(s) shall not set out enroute on IHB.
 6. In the event a SPCSL (northbound) inbound road train(s) should break down or a SPCSL road crew(s) runs out of time due to the Hours of Service Act on IHB trackage, these train(s) shall be recrewed by IHB crew(s) and the method(s) utilized to handle the train(s) to destination shall be in accordance with existing Schedule Agreements between IHB and BLE.
 7. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.
- B.** SPCSL Corporation (southbound) outbound road crew(s) departing from Belt Railway of Chicago utilizing Indiana Harbor Belt Railroad Company trackage and departing through C&A Tower Interlocking, may pick up a block of cars at Argo Yard located at Argo, Illinois, in accordance with the provisions as set forth herein.
1. SPCSL road crew(s) shall pick up a block of cars at Argo Yard on the minimum number of tracks required to hold the pick up.
 2. SPCSL road crew(s) shall not do any yard switching or local work at any point or location on IHB.
 3. SPCSL road crew(s) departing from Belt Railway of Chicago shall not set out cars at Argo Yard.

Section 4 - SPCSL Corporation Interchange - Argo Yard (Continued)

4. IHB Argo yard crew(s) shall perform all switching involved in making up these train(s) for outbound movements, in accordance with the existing Schedule Agreements between IHB and BLE.
5. Except as otherwise provided for in Section 4, B. herein, SPCSL road crew(s) shall not pick up enroute on IHB.
6. In the event a SPCSL (southbound) outbound road train(s) should break down or a SPCSL road crew(s) runs out of time due to the Hours of Service Act on IHB trackage, these train(s) may be recrewed by IHB crew(s) and the method(s) utilized to handle the train(s) to destination shall be in accordance with existing Schedule Agreements between IHB and BLE.
7. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

Section 5 - Union Pacific Interchange - CP Hill (Auto Trains)

UP (westbound) outbound road crew(s) may pick up road train(s) (auto trains) at CP Hill located at Bellwood, Illinois, on Indiana Harbor Belt Railroad Company. These auto train(s) shall depart from CP Hill to points beyond UP Proviso Yard and such traffic shall be handled in accordance with the provisions as set forth herein.

1. UP road crew(s) shall only handle cars that are a part of their outbound road train(s).
2. Except as provided for herein, UP road crew(s) shall not pick up cars while on IHB property.
3. UP road crew(s) shall not set out or switch cars while on IHB property.
4. UP road crews may attach their locomotives, end of train devices, and/or cabooses to UP auto trains at CP Hill.
5. IHB crews may interchange auto trains to UP Proviso Yard at the Carrier's prerogative.
6. Except as specifically modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

Section 6 - Union Pacific Interchange - Gibson District (Steel Trains)

UP (eastbound) inbound road crew(s) may depart UP Yard Center located at Dolton, Illinois and may operate on IHB trackage to move steel train(s) to any point on Indiana Harbor Belt Railroad Company east of Dolton Tower but west of Gibson Interlocking for the purpose of interchanging steel train(s) to IHB. These steel train(s) are destined for Midwest Steel located at Burns Harbor, Indiana and shall be handled in accordance with the provisions as set forth herein.

1. UP road crew(s) shall only handle cars that are a part of their inbound road train(s) (steel trains).
2. UP road crew(s) shall set out their road train(s) on the minimum number of tracks required to hold their train(s).
3. UP road crew(s) shall not do any yard switching or local work at any point or location on IHB.
4. IHB Gibson yard crew(s) shall perform all switching involved in breaking up these train(s) and movement of this traffic to connecting carrier(s) and/or industries, in accordance with existing Schedule Agreements between IHB and BLE.

Section 6 - Union Pacific Interchange - Gibson District (Steel Trains) (Continued)

5. Except as provided for herein, UP road crew(s) shall not pick up or set out enroute on IHB.
6. IHB Engineers shall be used to pilot UP road crew(s) over IHB when a pilot is required.
7. In the event a UP (eastbound) inbound road train(s) (steel trains) should break down or a UP road crew(s) runs out of time due to the Hours of Service Act on IHB trackage, these steel train(s) shall be recrewed and delivered to destination by IHB crew(s), in accordance with existing Schedule Agreements between IHB and BLE.
8. UP road crew(s) may operate "light" between Gibson Interlocking and Yard Center to return to Yard Center.
9. Except as specifically modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

Section 7 - Canadian National (former GTW) Interchange - Gibson West End Yard

CN (castbound) inbound road crew(s) may operate over Indiana Harbor Belt Railroad Company trackage between Dolton Tower and IHB Gibson West End Yard located at Hammond, Indiana and may terminate CN road train(s) at Gibson West End Yard, in accordance with the provisions as set forth herein.

1. CN road crew(s) shall only handle cars that are a part of their inbound road train(s).
2. CN road crew(s) shall set out their road train(s) at Gibson West End Yard on the minimum number of tracks required to hold their train(s).
3. CN road crew(s) shall not do any yard switching or local work at any point or location on IHB.
4. IHB Gibson yard crew(s) shall perform all switching involved in breaking up these train(s) and movement of this traffic to connecting carrier(s) and/or industries, in accordance with existing Schedule Agreements between IHB and BLE.
5. CN road crew(s) shall not pick up or set out enroute on IHB.
6. IHB Engineers shall be used to pilot CN road crews over IHB when a pilot is required.
7. In the event a CN (castbound) inbound road train(s) should break down or a CN road crew(s) runs out of time due to the Hours of Service Act on IHB trackage, these train(s) shall be recrewed and delivered to Gibson West End Yard by IHB crew(s) or pulled into Gibson West End Yard by IHB crew(s), in accordance with existing Schedule Agreements between IHB and BLE.
8. CN road crew(s) may operate "light" between Gibson Interlocking and GTW Tower to return to IHB Blue Island Yard or GTW.
9. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

Section 8 - Canadian Pacific (former Soo Line) Interchange - Calumet City Yard (Coal Trains)

A. CP (Southeastern District) (eastbound) road crew(s) may set out a block of coal cars (loads) at Indiana Harbor Belt Railroad Company Calumet City Yard located at Calumet City, Illinois. These coal cars originate at Terre Haute, Indiana and are destined to industries on IHB and shall be handled in accordance with the provisions as set forth herein.

1. CP road crew(s) shall set out block of coal cars at Calumet City Yard on the minimum number of tracks required to hold the coal cars.
2. CP road crew(s) shall not do any yard switching or local work at any point or location on IHB.
3. CP road crew(s) shall not pick up cars at Calumet City Yard.
4. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

B. CP (Southeastern District) (westbound) road crew(s) may pick up a block of coal cars (empties) at Indiana Harbor Belt Railroad Company Calumet City Yard located at Calumet City, Illinois. These coal cars are returning from industries located on IHB for movement to Terre Haute, Indiana and shall be handled in accordance with the provisions as set forth herein.

1. CP road crew(s) shall pick up a block of coal cars at Calumet City Yard on the minimum number of tracks required to hold the coal cars.
2. CP road crew(s) shall not do any yard switching or local work at any point or location on IHB.
3. CP road crew(s) shall not set out cars at Calumet City Yard.
4. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

Section 9 - Canadian Pacific (former Soo Line) Interchange - Blue Island Yard (Coal Trains)

A. CP (Southeastern District) (westbound) road crew(s) may set out a block of coal cars (loads) at Indiana Harbor Belt Railroad Company Blue Island Yard located at Riverdale, Illinois. These coal cars originate at Terre Haute, Indiana, and are destined to industries on IHB and shall be handled in accordance with the provisions as set forth herein.

1. CP road crew(s) shall set out a block of coal cars at Blue Island Yard on the minimum number of tracks required to hold coal cars.
2. CP road crew(s) shall not do any yard switching or local work at any point or location on IHB.
3. CP road crew(s) shall not pick up cars at Blue Island Yard.
4. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

Section 9 - Canadian Pacific (former Soo Line) Interchange - Blue Island Yard (Coal Trains) (Continued)

- B.** CP (Southeastern District) (eastbound) road crew(s) may pick up a block of coal cars (empties) at Indiana Harbor Belt Railroad Company Blue Island Yard, located at Riverdale, Illinois. These coal cars are returning from industries located on IHB for movement to Terre Haute, Indiana, and shall be handled in accordance with the provisions as set forth herein.
1. CP road crew(s) shall pick up a block of coal cars at Blue Island Yard on the minimum number of tracks required to hold coal cars.
 2. CP road crew(s) shall not do any yard switching or local work at any point or location on IHB.
 3. CP road crew(s) shall not set out cars at Blue Island Yard.
 4. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

Section 10 - CSX Interchange - Alternate Route via CP Calumet Park / Blue Island Yard

- A.** CSX (westbound) inbound road crew(s) may deliver CSX road train(s) to Indiana Harbor Belt Railroad Company Blue Island Yard located in Riverdale, Illinois, by utilizing an alternate route via CP Calumet Park located at Mile Post 7.1, located in Gibson District, in accordance with the provisions as set forth herein.
1. CSX road crew(s) shall only handle cars that are a part of their inbound road train(s).
 2. CSX road crew(s) shall set out their road train(s) at Blue Island Yard on the minimum number of tracks required to hold their train(s).
 3. CSX road crew(s) shall not do any yard switching or local work at any point or location on IHB.
 4. IHB Blue Island yard crew(s) shall perform all switching involved in breaking up these train(s) and movement of this traffic to connecting carrier(s) and/or industries, in accordance with existing Schedule Agreements between IHB and BLE.
 5. CSX road crew(s) shall not pick up or set out enroute on IHB.
 6. IHB Engineers shall be used to pilot CSX road crew(s) over IHB when a pilot is required.
 7. In the event a CSX (westbound) inbound road train(s) should break down or a CSX road crew(s) runs out of time due to the Hours of Service Act on IHB trackage, these train(s) shall be recrewed and delivered to Blue Island Yard by IHB crew(s) or pulled into Blue Island Yard by IHB crew(s), in accordance with existing Schedule Agreements between IHB and BLE.
 8. CSX road crew(s) may move their locomotive(s) to Blue Island locomotive servicing facility or to other designated points within the confines of Blue Island Yard.
 9. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

Section 10 - CSX Interchange - Alternate Route via CP Calumet Park / Blue Island Yard (Continued)

B. CSX (eastbound) outbound road crew(s) may receive CSX road train(s) at Indiana Harbor Belt Railroad Company Blue Island Yard located at Riverdale, Illinois and may depart IHB Blue Island Yard utilizing an alternate route via CP Calumet Park at Mile Post 7.1, located in Gibson District, in accordance with the provisions as set forth herein.

1. CSX road crew(s) shall only handle cars that are a part of their outbound road train(s).
2. CSX road crew(s) shall receive their road train(s) on not to exceed three (3) tracks. These tracks shall be coupled by IHB Blue Island yard crew(s).
3. CSX road crew(s) shall not do any yard switching or local work at any point or location on IHB.
4. IHB Blue Island yard crew(s) shall perform all switching involved in making up these train(s) for outbound movements, in accordance with existing Schedule Agreements between IHB and BLE.
5. CSX road crew(s) shall not pick up or set out enroute on IHB.
6. IHB Engineers shall be used to pilot CSX road crew(s) over IHB when a pilot is required.
7. In the event a CSX (eastbound) outbound road train(s) should break down or a CSX road crew(s) runs out of time due to the Hours of Service Act on IHB trackage, these train(s) may be recrewed by IHB crew(s) and the method(s) utilized to handle the train(s) to destination shall be in accordance with existing Schedule Agreements between IHB and BLE.
8. CSX road crew(s) may receive their locomotive(s) at Blue Island locomotive servicing facility or other designated points within the confines of Blue Island Yard.
9. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

Section 11 - CSX Interchange - Blue Island Yard (Eastbound / Westbound)

A. CSX (eastbound) road crew(s) departing from Canadian Pacific Rail System Bensenville Yard, located at Bensenville, Illinois operating eastbound on Indiana Harbor Belt Railroad Company trackage, may pick up a block of cars at IHB Blue Island Yard located at Riverdale, Illinois, in accordance with the provisions as set forth herein.

1. CSX road crew(s) shall only handle cars that are a part of their road train(s).
2. CSX road crew(s) shall receive a block of cars at Blue Island Yard on one (1) track. This track shall be coupled by IHB Blue Island yard crew(s).
3. CSX road crew(s) shall not do any yard switching or local work at any point or location on IHB.
4. IHB Blue Island yard crew(s) shall perform all switching involved in making up these train(s) for outbound movements, in accordance with existing Schedule Agreements between IHB and BLE.
5. CSX road crew(s) shall not pick up or set out enroute on IHB.
6. IHB Engineers shall be used to pilot CSX road crew(s) over IHB when a pilot is required.

Section 11 - CSX Interchange - Blue Island Yard (Eastbound / Westbound) (Continued)

7. In the event a CSX (eastbound) outbound road train(s) should break down or a CSX road crew(s) runs out of time due to the Hours of Service Act on IHB trackage, these train(s) may be recrewed by IHB crew(s) and the method(s) utilized to handle the train(s) to destination shall be in accordance with existing Schedule Agreements between IHB and BLE.
8. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

B. CSX (westbound) road crew(s) departing from points east of Indiana Harbor Belt Railroad Company operating westbound on IHB trackage, may set out a block of cars at Indiana Harbor Belt Railroad Company Blue Island Yard located at Riverdale, Illinois, in accordance with the provisions as set forth herein.

1. CSX road crew(s) shall only handle cars that are a part of their road train(s).
2. CSX road crew(s) shall set out a block of car(s) at Blue Island Yard on the minimum number of tracks required to hold the set out.
3. CSX road crew(s) shall not do any yard switching or local work at any point or location on IHB.
4. IHB Blue Island yard crew(s) shall perform all switching involved in breaking up these train(s) and movement of this traffic to connecting carrier(s) and/or industries, in accordance with existing Schedule Agreements between IHB and BLE.
5. CSX road crew(s) shall not pick up or set out enroute on IHB.
6. IHB Engineers shall be used to pilot CSX road crew(s) over IHB when a pilot is required.
7. In the event a CSX (westbound) outbound road train(s) should break down or a CSX road crew(s) runs out of time due to the Hours of Service Act on IHB trackage, these train(s) may be recrewed by IHB crew(s) and the method(s) utilized to handle the train(s) to destination shall be in accordance with existing Schedule Agreements between IHB and BLE.
8. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

Section 12 - CSX Interchange - Gibson West End Yard (Auto Trains)

CSX road crew(s) may operate over Indiana Harbor Belt Railroad Company trackage to IHB Gibson West End Yard located at Hammond, Indiana, via Hick Tower and may terminate CSX road train(s) (auto trains) at IHB Gibson West End Yard, in accordance with the provisions as set forth herein.

1. CSX road crew(s) shall only handle cars that are a part of their inbound road train(s).
2. CSX road crew(s) shall set out their road train(s) at Gibson West End Yard on the minimum number of tracks to hold their train(s).
3. CSX road crew(s) shall not do any yard switching or local work at any point or location on IHB.
4. IHB Gibson yard crew(s) shall perform all switching involved in breaking up these trains and movement of this traffic to connecting carrier(s) and/or industries, in accordance with existing Schedule Agreements by and between IHB and BLE.

Section 12 - CSX Interchange - Gibson West End Yard (Auto Trains) (Continued)

5. CSX road crew(s) shall not pick up or set out traffic enroute on IHB.
6. IHB Engineers shall be used to pilot CSX road crew(s) over IHB when a pilot is required.
7. In the event a CSX road train(s) should break down or a road crew(s) runs out of time due to the Hours of Service Act while on IHB trackage, these CSX road train(s) shall be re-crewed by IHB crew(s) and the method(s) utilized to handle the train(s) to Gibson West End Yard shall be in accordance with existing Schedule Agreements between IHB and BLE.
8. CSX road crew(s) may operate "light" between Gibson Interlocking and GTW to return to CSX.
9. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

Section 13 - CSX Interchange - Gibson District (Unit Trains)

CSX (eastbound) inbound road crew(s) may depart UP Yard Center located at Dolton, Illinois and may operate over Indiana Harbor Belt Railroad Company trackage to move unit train(s) to any point on IHB that is east of Dolton Tower but west of Gibson Interlocking, for the purpose of interchanging unit train(s) to IHB. These unit train(s) are destined for industries located on IHB and these movements shall be handled in accordance with the provisions as set forth herein.

1. CSX road crew(s) shall only handle cars that are a part of their inbound road train(s).
2. CSX road crew(s) shall set out their road train(s) west of Gibson Interlocking on the minimum number of tracks required to hold their train(s).
3. CSX road crew(s) shall not do any yard switching or local work at any point or location on IHB.
4. IHB Gibson yard crew(s) shall perform all switching involved in breaking up these unit train(s) and movement of this traffic to connecting carrier(s) and/or industries, in accordance with existing Schedule Agreements between IHB and BLE.
5. CSX road crew(s) shall not pick up or set out enroute on IHB.
6. IHB Engineers shall be used to pilot CSX road crews over IHB when a pilot is required.
7. In the event a CSX road train(s) should break down or a road crew(s) runs out of time due to the Hours of Service Act while on IHB trackage, these CSX road train(s) shall be re-crewed by IHB crew(s) and the method(s) utilized to handle the train(s) to destination shall be in accordance with existing Schedule Agreements between IHB and BLE.
8. CSX road crew(s) may operate "light" between Gibson Interlocking and Yard Center to return to Yard Center.
9. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

Section 14 - CSX Interchange - Michigan Avenue Yard (Coal Trains)

- A.** CSX road crew(s) may operate CSX unit coal train(s) (loads) over IHB trackage via Hick Tower to Indiana Harbor Belt Railroad Company Michigan Avenue Yard located at East Chicago, Indiana. These coal cars originate at Peabody Coal Company located at Rock Lick, West Virginia and are destined to industries on IHB and shall be handled in accordance with the provisions as set forth herein.
1. CSX road crew(s) shall only handle cars that are a part of their inbound road train(s).
 2. CSX road crew(s) shall set out their road train(s) at Michigan Avenue Yard on the minimum number of tracks required to hold their train(s).
 3. CSX road crew(s) shall not do any yard switching or local work at any point or location on IHB.
 4. IHB Gibson yard crew(s) shall perform all switching involved in breaking up these train(s) and movement of this traffic to connecting carriers and/or industries, in accordance with existing Schedule Agreements between IHB and BLE.
 5. Except as provided for herein, CSX road crew(s) shall not pick up or set out enroute on IHB.
 6. In the event a CSX road train(s) should break down or a road crew(s) runs out of time due to the Hours of Service Act while on IHB trackage, these CSX road train(s) shall be re-crewed by IHB crew(s) and the method(s) utilized to handle the train(s) to Michigan Avenue Yard shall be in accordance with existing Schedule Agreements between IHB and BLE.
 7. IHB Engineers shall be used to pilot CSX road crew(s) over IHB when a pilot is required.
 8. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.
- B.** CSX road crew(s) may operate CSX unit coal train(s) (empties) over Indiana Harbor Belt Railroad Company trackage from IHB Michigan Avenue Yard located at East Chicago, Indiana and depart via Hick Tower. These unit coal train(s) (empties) are destined to Peabody Coal Company located at Rock Lick, West Virginia, and shall be handled in accordance with the provisions as set forth herein.
1. CSX road crew(s) shall only handle cars that are a part of their outbound road train(s).
 2. CSX road crew(s) shall pick up their road train(s) at Michigan Avenue Yard on the minimum number of tracks required to hold their train(s).
 3. CSX road crew(s) shall not do any yard switching or local work at any point or location on IHB.
 4. IHB Gibson yard crew(s) shall perform all switching involved in making up these train(s) for outbound movements, in accordance with existing Schedule Agreements between IHB and BLE.
 5. Except as provided for herein, CSX road crew(s) shall not pick up or set out enroute on IHB.
 6. In the event a CSX road train(s) should break down or a road crew(s) runs out of time due to the Hours of Service Act while on IHB trackage, these CSX road train(s) may be re-crewed by IHB crew(s) and the method(s) utilized to handle the train(s) to destination shall be in accordance with existing Schedule Agreements between IHB and BLE.

Section 14 - CSX Interchange - Michigan Avenue Yard (Coal Trains) (Continued)

7. IHB Engineers shall be used to pilot CSX road crew(s) over IHB when a pilot is required.
8. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

Section 15 - Consolidated Rail Corporation - Bridge Movements

In the event Conrail road crew(s) operate over Indiana Harbor Belt Railroad Company trackage enroute to foreign line carrier(s) in connection with bridge movement(s):

1. Conrail road crew(s) shall only handle cars that are in connection with bridge movement(s).
2. Conrail road crew(s) shall not do any yard switching or local work at any point or location on IHB in connection with bridge movement(s).
3. Conrail road crew(s) shall not pick up or set out enroute on IHB in connection with bridge movement(s).
4. IHB Engineers shall be used to pilot Conrail road crew(s) over IHB when a pilot is required.
5. In the event a Conrail road train(s) should break down or a Conrail road crew(s) runs out of time due to the Hours of Service Act on IHB trackage, these train(s) may be recrewed and delivered to destination by IHB crew(s) or pulled into destination by IHB crew(s), in accordance with existing Schedule Agreements between IHB and BLE.
6. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

ARTICLE II - INTERCHANGE - FOREIGN YARD CREWS

All temporary Interchange Agreements/Arrangements that were in effect prior to May 1, 1997, in connection with this ARTICLE II, Sections 1 and 2, are hereby abrogated and the following Agreements shall be in substitution thereof.

Section 1 - IHB/BNSF Interchange - Blue Island Yard/Cicero Yard (Equity Reciprocal)

The established and recognized points of interchange between Indiana Harbor Belt Railroad Company and Burlington Northern Santa Fe are LaGrange Yard located on IHB, and the Congress Park Yard located on BNSF. These interchange points should be used for the purpose of a reciprocal interchange arrangement in accordance with the applicable provisions of the May 13, 1971 National Agreement, ARTICLE IV, Section 2; however, due to the nature of the proposed service, the parties signatory hereto agree that Cicero Yard located on BNSF and Blue Island Yard located on IHB shall be used as interchange points for cars moving in this service in accordance with the provisions as set forth herein.

- A. A reciprocal interchange arrangement shall be established herein whereby IHB Outer Belt Transfer Assignments and BNSF yard crew(s) shall participate on a 50/50 equity basis in interchange car movements between IHB Blue Island Yard located at Riverdale, Illinois, and BNSF Cicero Yard located at Cicero, Illinois.

NOTE: The interchange points at LaGrange Yard and Congress Park Yard are retained and the provisions contained in this Agreement shall not modify or affect previously established interchange procedures between the two Carriers at these interchange points.

Section 1 - IHB/BNSF Interchange - Blue Island Yard/Cicero Yard (Equity Reciprocal) (Continued)

The equity arrangement between BNSF yard crew(s) and IHB crew(s) shall be as follows:

1. Commencing June 1, 1997, through and including August 31, 1997, Indiana Harbor Belt crew(s) shall handle all traffic in both directions between Blue Island Yard and the Cicero Yard for purpose of interchange.
2. Commencing September 1, 1997, through and including November 30, 1997, BNSF yard crew(s) may handle all traffic in both directions between Cicero Yard and Blue Island Yard for the purpose of interchange.
3. Commencing December 1, 1997, through and including February 28, 1998, Indiana Harbor Belt crew(s) shall handle all traffic in both directions between Blue Island Yard and Cicero Yard for the purpose of interchange.
4. Commencing March 1, 1998, through and including May 31, 1998, BNSF yard crew(s) may handle all traffic in both directions between Blue Island Yard and Cicero Yard for the purpose of interchange.

NOTE: The aforementioned schedule in connection with this Agreement shall continue in effect on a year to year basis.

B. Burlington Northern Santa Fe Yard Crew(s) may handle all traffic in both directions between BNSF Cicero Yard located at Cicero, Illinois, and Indiana Harbor Belt Railroad Company Blue Island Yard located at Riverdale, Illinois, in accordance with the provisions as set forth in ARTICLE II, Section 1, A, 2 and/or 4. This traffic shall be handled in accordance with the provisions as set forth herein.

1. BNSF yard crew(s) shall only handle cars that are a part of their inbound/outbound yard train(s).
2. BNSF yard crew(s) shall not pick up or set out at any point or location on IHB enroute between IHB Blue Island Yard and Cicero Yard.
3. During the designated periods of equity that apply to BNSF yard crew(s), such crew(s) shall set out their train(s) at Blue Island Yard on the minimum number of tracks required to hold their train(s).
4. IHB Blue Island yard crew(s) shall perform all switching involved in breaking up these train(s) and movement of this traffic to connecting carrier(s) and/or industries, in accordance with existing Schedule Agreements between IHB and BLE.
5. During the designated periods of equity that apply to BNSF yard crew(s), such crew(s) shall receive their yard train(s) at Blue Island Yard on not to exceed three (3) tracks. These tracks shall be coupled by IHB Blue Island yard crew(s).
6. IHB Blue Island yard crew(s) shall perform all switching involved in the making up of these train(s) for outbound movements, in accordance with existing Schedule Agreements between IHB and BLE.
7. BNSF yard crew(s) shall not do any yard switching or local work at any point or location on IHB.

Section 1 - IHB/BNSF Interchange - Blue Island Yard/Cicero Yard (Equity Reciprocal) (Continued)

8. IHB Engineers shall be used to pilot BNSF yard crew(s) over IHB when a pilot is required.
9. Except as modified herein, all Agreements between the IHB and BLE, as well as applicable National Agreements, shall remain in full force and effect.

Section 2 - Wisconsin Central Interchange - Norpaul Yard

- A. Wisconsin Central yard crew(s) may set out traffic within the confines of Indiana Harbor Belt Railroad Company Norpaul Yard located at Franklin Park, Illinois, in accordance with the provisions as set forth herein.
 1. WC yard crew(s) shall only handle cars that are a part of their inbound yard train(s).
 2. WC yard crew(s) shall set out their train(s) on the minimum number of tracks required to hold their train(s).
 3. IHB Norpaul yard crew(s) shall perform all switching involved in breaking up these train(s) and transfer of this traffic to connecting carrier(s) and/or industries, in accordance with existing Schedule Agreements between IHB and BLE.
 4. WC yard crew(s) shall not do any yard switching or local work on IHB.
 5. Except as provided for herein, WC yard crew(s) shall not pick up or set out on IHB.
 6. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements shall remain in full force and effect.
- B. Wisconsin Central yard crew(s) may pick up traffic within the confines of Indiana Harbor Belt Railroad Company Norpaul Yard located at Franklin Park, Illinois, in accordance with the provisions as set forth herein.
 1. WC yard crew(s) shall only handle cars that are a part of their outbound yard train(s).
 2. WC yard crew(s) shall pick up their train(s) on the minimum number of tracks required to hold their train(s).
 3. IHB Norpaul yard crew(s) shall perform all switching involved in making up these train(s) for outbound movement, in accordance with existing Schedule Agreements between IHB and BLE.
 4. WC yard crew(s) shall not do any yard switching or local work on IHB.
 5. Except as provided for herein, WC yard crew(s) shall not pick up or set out on IHB.
 6. Except as modified herein, all Agreements between IHB and BLE, as well as applicable National Agreements shall remain in full force and effect.

ARTICLE III - INTERCHANGE LIMITATIONS

The provisions as contained in PART III of this Agreement are not intended to impose restrictions in connection with interchange where restrictions did not exist prior to the effective date of this Agreement.

ARTICLE IV - EFFECT OF THIS AGREEMENT

This Agreement (PART THREE), shall become effective on May 1, 1997 and shall remain in effect until changed or modified in accordance with the provisions of the Railway Labor Act as amended.

Signed at Hammond, Indiana, this 14TH day of March, 1997.

FOR THE BROTHERHOOD OF LOCOMOTIVE ENGINEERS:

FOR THE INDIANA HARBOR BELT RAILROAD COMPANY:

R.R. Pasquarella
R.R. Pasquarella, General Chairman

C.H. Allen
C.H. Allen, General Manager

W.W. Kaczmar
W.W. Kaczmar, Committeeman

J.A. Markase
J.A. Markase, Manager of Labor Relations

IHB ENGINEER PROTECTION

PART TWO

IT IS HEREBY AGREED:

ARTICLE 1 - ENGINEER PROTECTION

Section 1

An Engineer with an employment date with Indiana Harbor Belt Railroad Company prior to January 1, 1997 as an Engineer, shall not be furloughed from active service as an Engineer, subject to the provisions of PART TWO, ARTICLE 1, as set forth herein.

NOTE 1: A "furloughed" Engineer is an Engineer who is laid off temporarily due to insufficient seniority which disallows such Engineer to hold a position, regular or extra.

NOTE 2: An Engineer dismissed for cause that is subsequently reinstated with seniority rights unimpaired shall be entitled to all of the provisions as contained in PART TWO herein.

Section 2

Effective May 1, 1997 and thereafter, an Engineer shall be regular and/or extra and shall not be furloughed from active service as an Engineer for a period of time equal to that Engineer's total length of service calculated from his initial employment month with this Carrier as an Engineer, through and including April 30, 1997, subject to the provisions as set forth herein.

Example 1: Engineer, ID #2181, has an employment date as an Engineer with the Carrier on 02-13-48. He has accumulated 591 months of service as an Engineer. Therefore, he shall not be furloughed from 5-01-97 through and including 7-31-2046.

Example 2: Engineer, ID #2077, has an employment date as an Engineer with the Carrier on 05-20-76. He has accumulated 252 months of service as an Engineer. Therefore, he shall not be furloughed from 5-01-97 through and including 1-31-2018.

Example 3: Engineer, ID #4738, has an employment date as an Engineer with the Carrier on 08-03-81. He has accumulated 189 months of service as an Engineer. Therefore, he shall not be furloughed from 5-01-97 through and including 9-30-2012.

Example 4: Engineer, ID #5406, has an employment date as an Engineer with the Carrier on 02-16-90. He has accumulated 87 months of service as an Engineer. Therefore, he shall not be furloughed from 5-01-97 through and including 3-31-2004.

Example 5: Engineer, ID #2639, has an employment date as an Engineer with the Carrier on 10-05-94. He has accumulated 31 months of service as an Engineer. Therefore, he shall not be furloughed from 5-01-97 through and including 12-31-1999.

Example 6: Engineer, ID #2710, has an employment date as an Engineer with the Carrier on 12-02-96. He has accumulated 5 months of service as an Engineer. Therefore, he shall not be furloughed from 5-01-97 through and including 9-30-1997.

ARTICLE 1 - ENGINEER PROTECTION (Continued)

Section 3

A seniority list of Engineer(s) identifying his total number of months he has accumulated since his initial employment month with this Carrier as an Engineer, through and including April 30, 1997, for the purpose of applying PART TWO, ARTICLE I, as contained herein, is set forth in APPENDIX I, as attached hereto and shall be incorporated into and made a part of this Agreement to the same extent as if included herein.

Section 4

PART TWO, ARTICLE I as contained herein shall be in addition to any other form(s) of protection that are negotiated for and/or awarded to Engineers, such as but not limited to New York Dock, etc.

ARTICLE II - GUARANTEED EXTRA BOARD STARTS

Section 1

An Engineer with an employment date with Indiana Harbor Belt Railroad Company prior to January 1, 1997, as an Engineer, who is working off an extra board at one of the various terminals, i.e., Norpaul/Argo, Blue Island, and/or Gibson, shall be guaranteed a minimum of nine (9) starts per pay period, subject to the provisions of PART TWO, ARTICLE II, as set forth herein.

NOTE: An Engineer dismissed for cause that is subsequently reinstated with seniority rights unimpaired shall be entitled to all of the provisions as contained in PART TWO herein.

Section 2

Effective May 1, 1997 and thereafter, an Engineer(s) may place himself on an extra board and shall be entitled to and guaranteed a minimum of nine (9) starts per pay period for a period of time equal to that Engineer's total length of service calculated from his initial employment month with this Carrier as an Engineer, through and including April 30, 1997, subject to the provisions of PART TWO, ARTICLE II, as set forth herein.

- Example 1:** Engineer, ID #2181, has an employment date as an Engineer with the Carrier on 02-13-48. He has accumulated 591 months of service as an Engineer. Therefore, he shall be entitled to and guaranteed a minimum of nine (9) starts per pay period on an extra board(s) until 07-31-2046.
- Example 2:** Engineer, ID #2077, has an employment date as an Engineer with the Carrier on 05-20-76. He has accumulated 252 months of service as an Engineer. Therefore, he shall be entitled to and guaranteed a minimum of nine (9) starts per pay period on an extra board(s) until 1-31-2018.
- Example 3:** Engineer, ID #4738, has an employment date as an Engineer with the Carrier on 08-03-81. He has accumulated 189 months of service as an Engineer. Therefore, he shall be entitled to and guaranteed a minimum of nine (9) starts per pay period on an extra board(s) until 9-30-2012.

ARTICLE II - GUARANTEED EXTRA BOARD STARTS (Continued)

- Example 4:** Engineer, ID #5406, has an employment date as an Engineer with the Carrier on 02-16-90. He has accumulated 87 months of service as an Engineer. Therefore, he shall be entitled to and guaranteed a minimum of nine (9) starts per pay period on an extra board(s) until 3-31-2004.
- Example 5:** Engineer, ID #2639, has an employment date as an Engineer with the Carrier on 10-05-94. He has accumulated 31 months of service as an Engineer. Therefore, he shall be entitled to and guaranteed a minimum of nine (9) starts per pay period on an extra board(s) until 12-31-1999.
- Example 6:** Engineer, ID #2710, has an employment date as an Engineer with the Carrier on 12-02-96. He has accumulated 5 months of service as an Engineer. Therefore, he shall be entitled to and guaranteed a minimum of nine (9) starts per pay period on an extra board(s) until 9-30-1997.

Section 3

A seniority list of Engineer(s) identifying his total number of months that he has accumulated since his initial employment month with this Carrier as an Engineer, through and including April 30, 1997, for the purpose of applying PART TWO, ARTICLE II, as contained herein, is set forth in APPENDIX I, as attached hereto and shall be incorporated into and made a part of this Agreement to the same extent as if included herein.

Section 4

PART TWO, ARTICLE II as contained herein shall be in addition to any other form(s) of protection that are negotiated for and/or awarded to Engineer(s), such as but not limited to New York Dock, etc.

Section 5

- (a) An Engineer on an extra board(s) shall be entitled to and guaranteed a minimum of nine (9) starts per pay period subject to the provisions as contained in Section 5 (c) and/or Section 5 (d) below.
- (b) In the event an Engineer(s) places himself on an extra board(s) and does not make a minimum of nine (9) starts in that pay period, such Engineer(s) shall be compensated one (1) day's pay at the Engineer's eight (8) hour basic daily rate of pay for each full calendar day (midnight to midnight) that such Engineer was available on an extra board(s) but did not perform service for this Carrier.

NOTE 1: A day of compensation due an Engineer(s) in connection with Section 5 (b) herein, shall hereinafter be referred to as a guaranteed extra board start(s).

NOTE 2: The Engineer's eight (8) hour basic daily rate of pay in connection herewith shall be subject to future general wage and/or cost of living increases.

- (c) Each tour of duty credited to an Engineer(s) during a pay period shall reduce that Engineer(s) guaranteed nine (9) start minimum by one (1) for that pay period.

ARTICLE II - GUARANTEED EXTRA BOARD STARTS (Continued)

(d) In the event an Engineer(s) removes himself from an extra board(s) or is not available on an extra board(s) for any reason during a full calendar day (midnight to midnight), that Engineer's guaranteed nine (9) start minimum shall be reduced by one (1) for that pay period except as provided for in NOTE 1, 2, 3 and 4 as contained below.

NOTE 1: In the event an Engineer(s) removes himself from an extra board for the purpose of marking up on a regular assignment(s) and is subsequently bumped, and such Engineer(s) immediately places himself back on the extra board upon notification of a bump(s), such Engineer(s) shall not have his guaranteed nine (9) start minimum reduced by one (1) for that pay period.

NOTE 2: In the event an Engineer(s) removes himself from an extra board for the purpose of marking up on a regular assignment(s) for the following calendar day and would not have been called off the extra board to perform service for the Carrier between the time such Engineer called to assign himself regular and midnight, such engineer(s) shall not have his guaranteed nine (9) start minimum reduced by one (1) for that pay period.

NOTE 3: In the event an Engineer(s) is removed from an extra board by the Carrier and moved to another extra board in accordance with the provisions as set forth in the "Home Terminal Agreement", such Engineer(s) shall not have his guaranteed nine (9) start minimum reduced by one (1) for that pay period as a result thereof.

NOTE 4: In the event an Engineer(s) changes terminal(s) in accordance with the provisions as set forth in the "Home Terminal Agreement", such Engineer(s) shall not have his guaranteed nine (9) start minimum reduced by one (1) for that pay period as a result thereof.

Section 6

Attached hereto is a chart identified as APPENDIX II illustrating the mechanics of the guaranteed nine (9) starts minimum extra board(s). APPENDIX II as attached hereto shall be incorporated into and made a part of this Agreement to the same extent as if included herein.

Section 7

Each guaranteed extra board start an Engineer(s) is compensated for shall count as eight (8) qualifying hours in determining eligibility for vacation and shall be considered compensated service in determining compensation due for vacation pay, in accordance with the provisions as set forth in the National Vacation Agreement.

Section 8

Each guaranteed extra board start that an Engineer(s) is compensated for shall count as an actual start when determining an Engineer's eligibility to qualify for holiday pay, in accordance with the provisions as set forth in the National Holiday Agreement.

Section 9

Each guaranteed extra board start that an Engineer(s) is compensated for shall count as one (1) calendar day in determining an Engineer's eligibility to qualify for Health and Welfare, Dental, and Vision Care.

ARTICLE II - GUARANTEED EXTRA BOARD STARTS (Continued)

Section 10

An Engineer shall not be required to submit a timeslip to receive his compensation for guaranteed extra board start(s) and such compensation shall be made no later than the pay day following the pay period in which the Guaranteed Extra Board start(s) is credited.

Section 11

Except as otherwise provided for in PART TWO, ARTICLE II, as contained herein, the following shall apply:

- (a) The BLE General Chairperson shall have the sole authority to adjust the Engineer's Extra Board(s). Adjustments, if any, shall be made within the first five (5) calendar days of a pay period.
- (b) The BLE General Chairperson may reduce the number of Engineers on the Engineer's Extra Board(s) when a majority of Extra Engineers, exclusively working the Extra Board, make less than nine (9) starts in a pay period.
- (c) The BLE General Chairperson may add Engineers to the Engineer's Extra Board(s) when a majority of Extra Engineers, exclusively working the Extra Board, make more than eleven (11) starts in a pay period.

ARTICLE III - VOLUNTARY RESERVE BOARD

"Voluntary Reserve Board" Agreement as contained in the June 7, 1994 Agreement between Indiana Harbor Belt Railroad Company and its employees represented by Brotherhood of Locomotive Engineers is hereby abrogated and the following shall apply in substitution thereof.

Section 1

Effective May 1, 1997, the Carrier shall establish a Voluntary Reserve Board for Engineer(s).

Section 2

The number of Voluntary Reserve Board positions for Engineers shall be determined at the discretion of the Carrier and may be increased or decreased in order to meet the man power requirements.

Section 3

An Engineer shall be eligible for a Voluntary Reserve Board position if such Engineer is in active service when a Voluntary Reserve Board position(s) is established.

Section 4

An Engineer on a Voluntary Reserve Board position shall be considered in active service for the purpose of the application of all Agreements, Laws, and/or Acts respecting an Engineer's rights to work.

ARTICLE III - VOLUNTARY RESERVE BOARD (Continued)

Section 5

An Engineer on a Voluntary Reserve Board position shall not be subject to physical examinations and/or rules examinations.

NOTE: Physical examinations and/or rule examinations shall be deferred until such time an Engineer on a Voluntary Reserve Board position is recalled to active service.

Section 6

This Agreement shall not preclude an Engineer on a Voluntary Reserve Board position from receiving payments on time claims. Time claim payments due, if any, shall be paid in addition to compensation received while on the Voluntary Reserve Board.

Section 7

An Engineer on a Voluntary Reserve Board position shall be guaranteed a gross amount of \$1,255.65 for each full semi-monthly pay period.

NOTE 1: Voluntary Reserve Board compensation is based on 75% of the Engineer's eight (8) hour basic daily rate of pay for eleven (11) days per semi-monthly pay period.

NOTE 2: Voluntary Reserve Board compensation shall be subject to future general wage and cost of living increases.

- (a) An Engineer on a Voluntary Reserve Board position shall not be required to submit a timeslip in order to receive Voluntary Reserve Board compensation.
- (b) An Engineer on a Voluntary Reserve Board position shall be paid semi-monthly with regular payroll.
- (c) If a request is made in writing, such Engineer shall receive his Voluntary Reserve Board compensation by U.S. Mail.

Section 8

An Engineer on a Voluntary Reserve Board position shall be covered by Health and Welfare Plan, Dental Plan, Vision Plan, Union Shop, Dues Check-Off, Discipline and Grievance Procedures that are applicable to employees in active service.

Section 9

- (a) Voluntary Reserve Board compensation shall be considered as compensated service in determining compensation due for vacation. Vacation pay received while on a Voluntary Reserve Board position shall offset pay received under this Article. Furthermore, time spent on a Voluntary Reserve Board position shall count in determining whether an Engineer is eligible for vacation in the succeeding year, as well as in determining the length of vacation to which Engineers otherwise eligible, are entitled.
- (b) Each day spent on a Voluntary Reserve Board position, less Saturday and Sunday, shall count as eight (8) qualifying hours in connection with the National Vacation Agreement.

ARTICLE III - VOLUNTARY RESERVE BOARD (Continued)

Section 10

In the event an Engineer on a Voluntary Reserve Board position returns to active service, each day spent on a Voluntary Reserve Board position, less Saturday and Sunday, shall count as a start when determining an Engineer's eligibility to qualify for holiday pay, in accordance with the provisions as set forth in the National Holiday Agreement.

Section 11

An Engineer on a Voluntary Reserve Board position shall not be entitled to holiday pay, bereavement leave, jury duty pay, and all other similar special allowances.

Section 12

Other employment, while on a Voluntary Reserve Board position, is permissible as long as there is no conflict of interest. There shall be no offset for outside earnings.

Section 13

The procedure for obtaining a Voluntary Reserve Board position shall be in accordance with the provisions as set forth herein.

- (a) Four (4) full calendar days prior to the start of each new pay period, the Crew Dispatcher shall inform Engineers, upon request, the number of Voluntary Reserve Board positions open and available, if any. An Engineer desiring a Voluntary Reserve Board position shall notify the Crew Dispatcher and request such position(s) no later than two (2) full calendar days prior to 12:01 AM, of the first day of the new pay period. Assignments to a Voluntary Reserve Board position shall be made in seniority order of those making such request. An Engineer unable to hold a Voluntary Reserve Board position shall be notified by the Crew Dispatcher at least one (1) full calendar day prior to 12:01 AM, of the first day of the new pay period.
- (b) An Engineer assigned to a Voluntary Reserve Board position, in accordance with the provisions as set forth in Section 13 (a), must remain there for a minimum of two (2) entire pay periods. Such Engineer shall not be displaced by a senior Engineer and shall remain on a Voluntary Reserve Board position until:
 - 1. The Engineer is discharged from employment by the Carrier.
 - 2. The Engineer resigns from the Carrier's employment.
 - 3. The Engineer is recalled to active service in accordance with the provisions as set forth in Section 14 of this Article.
 - 4. The Engineer exercises such Engineer's seniority and returns to active service in accordance with the provisions as set forth in Section 15 of this Article.

ARTICLE III - VOLUNTARY RESERVE BOARD (Continued)

Section 14

An Engineer on a Voluntary Reserve Board position must hold himself available for recall to active service by the Carrier upon fifteen (15) consecutive days of notice. In the event an Engineer is recalled by the Carrier, he shall be called in reverse seniority order. Voluntary Reserve Board compensation shall continue for seven (7) calendar days from the date of notification less pay for Saturday and Sunday. Date of notification shall be the date the notice is received or first attempted delivery of Certified Mail Notice to the last address on record with the Carrier, whichever date is earlier.

- (a) An Engineer responding to a telephone recall and marking up immediately thereafter (within four (4) hours of the telephone call), shall be paid eight (8) days pay at the Engineer's basic daily rate of pay which shall be in addition to Voluntary Reserve Board compensation as set forth in this section.
- (b) An Engineer responding to a written recall and marking up immediately thereafter (on the date the recall letter is received or first attempted delivery), shall be paid five (5) days pay at the Engineer's basic daily rate of pay which shall be in addition to Voluntary Reserve Board compensation as set forth in this section.

Section 15

An Engineer on a Voluntary Reserve Board position who desires to return to active service shall do so by providing the Carrier with a fifteen (15) calendar day written notice expressing his intent to do so.

Section 16

It is understood that when returning to active service, an Engineer cannot combine their days spent on a Voluntary Reserve Board position and active service days to exceed 22 starts in his start bracket.

ARTICLE IV - SPECIAL PAY DIFFERENTIAL

ARTICLE IV - Special Pay Differential as contained in the February 1, 1993 Agreement between Indiana Harbor Belt Railroad Company and its employees represented by Brotherhood of Locomotive Engineers is hereby abrogated and the following shall apply in substitution thereof:

- (a) Effective May 1, 1997 and thereafter, a Special Pay Differential of one (1) hour straight time per basic day on all assignments and for all types of service shall be paid to an Engineer with an employment date with this Carrier, as an Engineer, prior to June 1, 1993, who works with a reduced train crew and/or foreman only train crew.

NOTE: The one (1) hour straight time Special Pay Differential shall be subject to future general wage and cost of living increases.

- (b) The one (1) hour straight time Special Pay Differential is in addition to the existing \$2.00 Pay Differential that became effective April 6, 1988.

NOTE: The \$2.00 Pay Differential shall not be subject to future general wage or cost of living increases.

ARTICLE V - COMPLEXITIES

The parties hereto recognize the complexities involved in this Agreement and, in keeping with its intent, purpose, and the rights and responsibilities of the parties thereunder, arrangements shall be made for periodic conferences for the purpose of agreeing on interpretations. It is further agreed that at least for the first year the Agreement is in effect, disputes arising from its application shall be handled expeditiously in conference by BLE General Chairperson and Carrier's Director of Labor Relations. Such conferences shall be held promptly at the request of either party.

ARTICLE VI - MORATORIUM

The parties to this Agreement shall not serve nor progress prior to the attrition of all Engineers that have an employment date with Indiana Harbor Belt Railroad Company prior to January 1, 1997, any notice or proposal for changing any of the specific provisions as contained in PART TWO of this Agreement.

ARTICLE VII - EFFECT OF THIS AGREEMENT

This Agreement (PART TWO), APPENDIX I, APPENDIX II, and Side Letter #1 was made in accordance with the provisions as contained in the Railway Labor Act, as amended, and shall become effective May 1, 1997, and shall remain in effect pursuant to the provisions as set forth in ARTICLE VI - MORATORIUM as contained herein.

Signed at Hammond, Indiana, this 14TH day of March, 1997.

FOR THE BROTHERHOOD OF LOCOMOTIVE ENGINEERS:

FOR THE INDIANA HARBOR BELT RAILROAD COMPANY:

R.R. Pasquarella
R.R. Pasquarella, General Chairman

C.H. Allen
C.H. Allen, General Manager

W.W. Kaczmar
W.W. Kaczmar, Committeeman

J.A. Markase
J.A. Markase, Manager of Labor Relations

APPENDIX I

IHB ENGINEER PROTECTION

SENIORITY LIST OF IHB ENGINEERS

SEN. NO.	NAME	IHB ID NO.	EMPLOYED	PROMOTED	MONTHS OF PROTECTION
1.	G.A. Hartley	2181	02-13-48	05-05-66	591
2.	K.A. Putman	2419	10-04-52	06-16-70	535
3.	S.S. Fryszak	2145	10-09-52	06-16-70	535
4.	C.E. Marcolini	2319	05-30-56	06-16-70	492
5.	R.J. Janik	2235	06-05-59	06-14-73	455
6.	D.J. Mills	3902	06-25-67	12-17-73	359
7.	P.M. Krizmanic	6439	03-01-74	02-23-75	278
8.	D.L. Pender	7511	05-30-74	02-23-75	276
9.	K.B. Hartley	2001	05-30-74	02-23-75	276
10.	T.R. Terrill	2002	05-30-74	02-23-75	276
11.	N. Guglielmucci	2008	05-30-74	02-23-75	276
12.	J.J. Galiani	2007	05-30-74	02-23-75	276
13.	A.J. Toyias	4874	05-30-74	02-23-75	276
14.	T.S. Easton	5241	05-30-74	02-23-75	276
15.	G.K. Wilck	5328	11-01-74	04-05-75	270
16.	W.E. Poole	2018	11-01-74	04-05-75	270
17.	J.M. DeCillo	2019	11-01-74	04-05-75	270
18.	C.E. McFee	2020	11-01-74	04-05-75	270
19.	G.D. Byrom	2032	02-10-75	03-13-76	267
20.	D.L. Kwasniewski	2060	05-04-76	06-13-76	252
21.	J.E. Whited	2065	05-04-76	06-13-76	252
22.	A.L. Booker	2067	05-04-76	06-13-76	252
23.	R.J. Zelisko	2059	05-04-76	06-13-76	252
24.	P.P. Danilaitis	2069	05-04-76	06-13-76	252
25.	R.K. Laucrmann	2070	05-04-76	06-13-76	252
26.	J.M. Flaherty	3143	05-17-76	07-16-76	252
27.	R.J. LeBioda	2077	05-20-76	07-16-76	252
28.	D.T. Disabato	2079	06-05-76	07-16-76	251
29.	R.L. Lee	2085	06-25-76	07-16-76	251
30.	R.L. VanGorp	2088	06-25-76	07-16-76	251
31.	J. Bozsiko	2091	07-02-76	07-16-76	250
32.	B.W. Painter	2090	07-03-76	07-16-76	250
33.	R.R. Pasquarella	4920	06-01-77	08-01-78	240
34.	J.J. Fazekas	3201	06-01-77	09-01-78	240
35.	J.H. Wolters	4957	11-03-77	05-03-79	234
36.	G.D. DeFrance	3292	11-04-77	05-03-79	234
37.	J.R. Delya	2095	02-01-78	05-03-79	234
38.	W.G. Mattingly	8022	12-04-78	06-29-79	221
39.	W.W. Kaczmariski	3066	12-04-78	06-29-79	221
40.	W.J. Cales	3129	12-04-78	06-29-79	221
41.	R.J. Anderson	7037	12-04-78	06-29-79	221

APPENDIX I

IHB ENGINEER PROTECTION

SENIORITY LIST OF IHB ENGINEERS

SEN. NO.	NAME	IHB ID NO.	EMPLOYED	PROMOTED	MONTHS OF PROTECTION
42.	J.W. Gibson	3818	05-15-79	11-19-79	216
43.	R.D. Jennings	3004	05-15-79	11-29-79	216
44.	W.G. Jusko	3099	05-15-79	01-02-80	216
45.	A.V. Petersen	5173	05-15-79	11-19-79	216
46.	R.G. Byrom	3208	05-15-79	01-02-80	216
47.	D.J. Zikas	5010	05-15-79	01-02-80	216
48.	D.E. Pruiim	3100	05-15-79	01-02-80	216
49.	E.P. Jones	5041	05-15-79	02-19-80	216
50.	R.E. Ondrejka	5063	05-15-79	02-19-80	216
51.	J.J. Krawiec	5146	05-15-79	02-19-80	216
52.	J.M. Tabernacki	3349	05-15-79	02-19-80	216
53.	M.R. Perry	7198	05-15-79	02-19-80	216
54.	R.L. Harris	3381	05-15-79	02-19-80	216
55.	D.L. Douglas	7031	07-05-79	04-11-80	214
56.	A.C. Wuest	5070	07-05-79	04-11-80	214
57.	T. Kolwicz	4612	08-03-81	08-04-89	189
58.	R.A. Larson	7035	08-03-81	08-04-89	189
59.	B.C. Douglas	4738	08-03-81	08-04-89	189
60.	D.A. Sutton	5074	03-06-89	08-04-89	98
61.	D.J. Dunn	7206	03-06-89	08-04-89	98
62.	M.N. Bossinger	0990	03-06-89	08-04-89	98
63.	J. Klemoff	0994	03-15-89	08-04-89	98
64.	B.E. Dennis	3144	03-15-89	08-04-89	98
65.	M. Morales	5420	02-16-90	02-16-90	87
66.	R.L. Kittl	2401	03-02-90	03-13-90	86
67.	R.L. Townsend	5426	02-16-90	03-14-90	87
68.	G. Trammell	5418	02-16-90	03-14-90	87
69.	A.W. Cummick	2605	03-07-90	03-16-90	86
70.	N.C. Rudman	2606	03-07-90	03-16-90	86
71.	A.R. Arnett	3009	02-05-90	06-29-90	87
72.	W.J. Wayne	0929	02-05-90	06-29-90	87
73.	R.E. Ravencraft	7377	02-05-90	04-09-91	87
74.	D.R. Wilson	6585	02-05-90	06-29-90	87
75.	D.R. Potter	5051	02-05-90	06-29-90	87
76.	R.L. Seitzinger	3257	02-05-90	06-29-90	87
77.	B.A. Campbell	3256	02-05-90	06-29-90	87
78.	R.G. Wagner	0923	02-05-90	06-29-90	87
79.	R.A. Crosley	7163	02-05-90	06-29-90	87
80.	T.L. Blair	3267	02-05-90	06-29-90	87
81.	R.J. Rokosz	3315	02-05-90	06-29-90	87
82.	D.R. Byrom	3363	02-05-90	06-29-90	87

APPENDIX I

IHB ENGINEER PROTECTION

SENIORITY LIST OF IHB ENGINEERS

SEN. NO.	NAME	IHB ID NO.	EMPLOYED	PROMOTED	MONTHS OF PROTECTION
83.	D.A. Oglesby	3518	02-05-90	06-29-90	87
84.	W.V. Carlson	0961	02-16-90	08-02-91	87
85.	C.W. Fields	5406	02-16-90	08-02-91	87
86.	D.T. Schroeter	5135	02-12-93	06-12-93	51
87.	M.A. Livorsi	7172	02-12-93	06-12-93	51
88.	R.W. Reno	5149	02-12-93	06-18-93	51
89.	R.A. White	3358	02-12-93	06-26-93	51
90.	D.E. McGee	5454	02-12-93	07-23-93	51
91.	R.L. Bedell	5293	02-12-93	06-24-93	51
92.	J.M. Korba	3407	02-12-93	08-05-93	51
93.	R.L. Horton	2607	08-06-93	09-04-93	45
94.	J.M. McLaren	2611	08-16-93	09-29-93	45
95.	C. Lewis	2616	03-25-94	04-29-94	38
96.	D.L. Nelson	2617	04-06-94	05-06-94	37
97.	D.N. Newkirk	2619	04-06-94	05-07-94	37
98.	C.P. LaDuc	2620	04-29-94	06-10-94	37
99.	R.G. Kaveckas	2621	04-29-94	06-10-94	37
100.	L.H. Cooper	2623	05-03-94	06-12-94	36
101.	M.T. Frazier	2622	04-29-94	06-15-94	37
102.	G.W. Pearson	2624	05-25-94	07-09-94	36
103.	J.A. Neff	2625	05-25-94	07-09-94	36
104.	C.W. Hinson	2627	05-31-94	07-16-94	36
105.	A.M. Stronczek	2630	06-16-94	08-07-94	35
106.	T.D. Albec	2633	07-29-94	09-14-94	34
107.	H. Mota	2634	07-29-94	09-15-94	34
108.	W.K. Witkowski	2635	08-11-94	09-24-94	33
109.	P.J. Tworek	2637	08-22-94	10-01-94	33
110.	J.S. Ware	2639	10-05-94	11-30-94	31
111.	D.L. VanNingen	2641	10-25-94	12-17-94	31
112.	D.J. Casillas	2645	10-25-94	12-17-94	31
113.	A.D. Cook	2644	10-25-94	12-17-94	31
114.	K.J. Moore	2647	10-25-94	12-17-94	31
115.	M.R. Dubuc	2651	12-01-94	01-21-95	29
116.	R.D. Hunt	2649	12-01-94	01-22-95	29
117.	J.M. Bryant	2652	01-23-95	04-07-95	28
118.	J.A. Trembczynski	2655	02-23-95	05-03-95	27
119.	M.A. Wells	2656	02-23-95	05-04-95	27
120.	M.J. Eldridge	2657	03-02-95	05-12-95	26
121.	L.J. Cooper	2658	03-02-95	05-12-95	26
122.	B.G. Berea	3065	07-03-95	08-31-95	22
123.	L.B. Rogers	2659	07-17-95	09-08-95	22

APPENDIX I**IHB ENGINEER PROTECTION****SENIORITY LIST OF IHB ENGINEERS**

SEN. NO.	NAME	IHB ID NO.	EMPLOYED	PROMOTED	MONTHS OF PROTECTION
124.	R.M. Browder	2660	07-17-95	09-08-95	22
125.	S.T. Monti	2663	08-16-95	10-05-95	21
126.	D.A. Neidig	2665	09-12-95	10-07-95	20
127.	C. Whalum	2676	09-28-95	10-13-95	20
128.	A.J. Mason	2680	11-03-95	12-15-95	18
129.	H.E. Williams	2685	01-30-96	03-15-96	16
130.	A. Price	2687	01-31-96	03-16-96	16
131.	D.K. Hardman	2689	02-20-96	04-03-96	15
132.	B. Marsalis	2691	03-13-96	04-29-96	14
133.	R.E. Schatte	2690	03-13-96	05-10-96	14
134.	B.P. Moore	2695	04-15-96	06-11-96	13
135.	L.A. Parker	2694	04-15-96	06-13-96	13
136.	J.D. Reed	2698	04-29-96	06-28-96	13
137.	M.R. Turner	2700	07-08-96	09-19-96	10
138.	T.W. Fairhurst	2705	07-31-96	09-29-96	10
139.	D.S. Spraberry	2660	08-06-96	08-06-96	9
140.	K.N. Collier	2607	08-12-96	09-21-96	9
141.	B.N. Williams	2707	09-25-96	11-18-96	8
142.	B.S. Bridgman	2708	10-14-96	12-18-96	7
143.	B.D. Plassman	2710	12-02-96	02-20-97	5

APPENDIX II

MECHANICS FOR GUARANTEED EXTRA BOARD STARTS
 Examples of five various extra men utilizing the 7-1-97 Pay schedule

Day	Extra Man (1)	Extra Man (2)	Extra Man (3)	Extra Man (4)	Extra Man (5)
16	A Actual tour of duty	A	Actual tour of duty	N/A	A
17	A Actual tour of duty	A	Actual tour of duty	N/A	N/A
18	A Actual tour of duty	A	Actual tour of duty	N/A	A
19	A Actual tour of duty	A	Actual tour of duty	N/A	N/A
20	A	A	Actual tour of duty	N/A	A
21	A	A	N/A	A	N/A
22	Actual tour of duty	A	N/A	A	A
23	A	A	N/A	A	Actual tour of duty
24	Actual tour of duty	A	N/A	A	A
25	A	A	Actual tour of duty	A	Actual tour of duty
26	A	A	Actual tour of duty	A	A
27	A	A	A	A	Actual tour of duty
28	A	A	A	A	A
29	Actual tour of duty	A	A	A	Actual tour of duty
30	A	A	A	A	A
31	Actual tour of duty	A	A	A	Actual tour of duty
Starts	7 Starts	0 Starts	7 Starts	0 Starts	5 Starts
G Starts	2 Starts	9 Starts	0 Starts	4 Starts	1 Start
G Comp	\$315.06	\$1,417.77	0	\$630.12	\$157.53

NOTE:
 NA = Not Available on Extra Board (Midnight to Midnight)
 A = Available on Extra Board (Midnight to Midnight)
 G Starts = Guaranteed Extra Board Starts
 G Comp = Guaranteed Extra Board Starts Compensation



INDIANA HARBOR BELT RAILROAD COMPANY

2721 - 161ST STREET HAMMOND, INDIANA 46323-1099

C. H. ALLEN
GENERAL MANAGER

HAMMOND
(219) 989-4703
FAX
(219) 989-4707

March 14, 1997

Side Letter #1

Mr. R.R. Pasquarella
General Chairman, BLE
1152 North Cedar
New Lenox, IL 60451

Dear Mr. Pasquarella:

This will confirm our understanding reached during our negotiations of the May 1, 1997 Agreement that in the event an Engineer disputes his number of months of protection that are applied to his ENGINEER PROTECTION and GUARANTEED EXTRA BOARD STARTS, the following method of resolution shall apply:

1. An Engineer shall have sixty (60) days from the effective date of this Agreement to dispute his number of months of protection that are applied to his ENGINEER PROTECTION and GUARANTEED EXTRA BOARD STARTS.
2. An Engineer who disputes his number of months of protection that are applied to his ENGINEER PROTECTION and GUARANTEED EXTRA BOARD STARTS must submit his dispute in writing to the Director of Labor Relations. He must specifically identify the number of months that are in dispute in connection therewith.
3. An Engineer who disputes his number of months of protection that are applied to his ENGINEER PROTECTION and GUARANTEED EXTRA BOARD STARTS, shall be notified by the Director of Labor Relations within sixty (60) days from the date the dispute is received by same as to the disposition of such dispute.
4. A dispute found to be valid shall be corrected accordingly and the Engineer(s) that filed the dispute(s) shall be notified promptly by the Director of Labor Relations of such correction.
5. In the event a dispute cannot be resolved, the parties signatory hereto shall resolve such dispute in accordance with the applicable provisions of IHB and BLE Agreement, ARTICLE XII - TIME LIMITS ON APPEALS dated February 1, 1993.

Please indicate your agreement by signing your name in the space provided below.

Very truly yours,

C.H. Allen
General Manager

I agree:

R.R. Pasquarella, General Chairman, BLE

May 1, 1997

Agreement between the

INDIANA HARBOR BELT RAILROAD COMPANY

and its Employees

represented by the

BROTHERHOOD OF LOCOMOTIVE ENGINEERS

PART ONE

IT IS HEREBY AGREED:

ARTICLE I - WAGES

Section 1 - First General Wage Increase

Effective on December 1, 1995, all standard basic daily rates of pay for employees represented by the Brotherhood of Locomotive Engineers in effect on the preceding day shall be increased by three-and-one-half (3 1/2) percent.

NOTE: Engineers shall receive retroactive backpay commencing December 1, 1995 through and including April 30, 1997. Retroactive backpay shall be paid by separate check no later than thirty (30) days subsequent to the effective date of this Agreement.

Section 2 - Signing Bonus

Each employee will be paid a signing bonus of one (1) percent of the employee's compensation for 1994.

NOTE: Engineers shall be paid this signing bonus by separate check no later than thirty (30) days subsequent to the effective date of this Agreement.

Section 3 - First Lump Sum Payment

Each Employee will be paid a lump sum equal to the excess of (i) three (3) percent of the employee's compensation for 1995, excluding pay elements not subject to general wage increases under Section 8 of this Article and lump sums, over (ii) the lesser of (x) one-half of the amount described in clause (i) above and (y) two times one-quarter of the amount, if any, by which the carriers' payment rate for 1996 for foreign-to-occupation health benefits under The Railroad Employees National Health and Welfare Plan (Plan) exceeds such payment rate for 1995.

NOTE: Engineers shall be paid this first lump sum payment by separate check no later than thirty (30) days subsequent to the effective date of this Agreement.

Section 4 - Second General Wage Increase

Effective July 1, 1997, all standard basic daily rates of pay in effect on June 30, 1997 for employees represented by Brotherhood of Locomotive Engineers shall be increased by three-and-one-half (3 1/2) percent, computed and applied in the same manner prescribed in Section 1 above.

ARTICLE I - WAGES (Continued)

Section 5 - Second Lump Sum Payment

On July 1, 1998, each employee will be paid a lump sum equal to the excess of (i) three-and-one-half (3 1/2) percent of the employee's compensation for 1997, excluding pay elements not subject to general wage increases under Section 8 of this Article and lump sums, over (ii) the lesser of (x) one-half of the amount described in clause (i) above and (y) one-and-one-half times one-quarter of the amount, if any, by which the carriers' payment rate for 1998 for foreign-to-occupation health benefits under the Plan exceeds such payment rate for 1995.

Section 6 - Third General Wage Increase

Effective July 1, 1999, all standard basic daily rates of pay in effect on June 30, 1999 for employees represented by Brotherhood of Locomotive Engineers shall be increased by three-and-one-half (3 1/2) percent, computed and applied in the same manner prescribed in Section 1 above.

Section 7 - Standard Rates

The standard basic daily rates of pay produced by application of the increases provided for in this Article are set forth in APPENDIX 1 as attached hereto and shall be made a part of this Agreement to the same extent as if included herein.

Section 8 - Application of Wage Increases

- (a) In determining new hourly rates, fractions of a cent will be disposed of by applying the next higher quarter of a cent.
- (b) Existing money differentials above existing standard daily rates shall be maintained.

Section 9 - Definition of Carriers' Payment Rate

The Carrier's payment rate for any year for foreign-to-occupation health benefits under the Plan shall mean twelve (12) times the payment made by the carriers to the Plan per month (in such year) per employee who is fully covered for employee health benefits under the Plan. Carrier payments to the Plan for these purposes shall not include the amounts per such employee per month (in such year) taken from the Special Account, or from any other special account, fund or trust maintained in connection with the Plan, to pay or provide for current Plan benefits, or any amounts paid by remaining carriers to make up the unpaid contributions of terminating carriers pursuant to Article III, Part A, Section 1 of the Agreed Upon Implementation of Public Law 102-29 (1991 National Implementing Document).

Section 10 - Eligibility for Receipt of Signing Bonus, Lump Sum Payments

The signing bonus and lump sum payments provided for in this Article shall be paid to each employee subject to this Agreement who has an employment relationship as of the date such payments are payable, or has retired or died subsequent to the beginning of the applicable calendar year used to determine the amount of such payment. There shall be no duplication of lump sum payments by virtue of employment under another agreement nor will such payments be used to offset, construct or increase guarantees in protective agreements or arrangements.

Section 11 - Calculation of Vacation Pay

The retroactive backpay, signing bonus and lump sum payments provided for in Sections 1, 2, 3, and 5 of this Article will be included in the earnings of an employee in the determination of vacation allowances due in the year subsequent to their payment.

ARTICLE I - WAGES (Continued)

Section 12 - The following questions and answers shall apply to ARTICLE 1 - WAGES, as contained herein, and become a part of this Agreement to the same extent as if included herein.

Q-1: In calculating an employec's compensation for the 1% signing bonus and subsequent lump sum payments provided for in this Article, what is the basis upon which the percentage is determined?

A-1: The employee's "compensation" as used on such employee's carrier to determine vacation pay entitlement in the calendar year so stated beginning January 1 and extending through December 31.

Q-2: Are the lump sum payments applicable to employees who are suspended, as well as employees who are reinstated with rights unimpaired?

A-2: Yes, because in both cases the employment relationship is maintained.

Q-3: An employec had earnings in 1994 and 1995, however, the employee is not currently active due to disability. Is this employee eligible for the signing bonus and 1996 lump sum payment?

A-3: Yes, so long as the employee maintains his/her employment relationship with the Carrier, or subsequently retires or dies.

Q-4: How will the lump sums be calculated for an employee who performed service for a Carrier not party to this contract during the years of 1994 and 1995, but currently employed by Indiana Harbor Belt Railroad Company?

A-4: Only compensation earned on the Carrier party to this agreement at which employed on the date payment is due will be credited.

Q-5: What is the definition of "foreign-to-occupation" as used in Section 10?

A-5: "Foreign-to-occupation" is defined in ARTICLE I, Section 10 to mean "other than on duty".

ARTICLE II - COST-OF-LIVING PAYMENTS**Part A - Cost-of Living Payments Under 1991 National Implementing Document**

The nine-cent cost-of-living allowance in effect beginning July 1, 1995 pursuant to ARTICLE II, Part B of the 1991 National Implementing Document shall be rolled in to basic rates of pay on November 30, 1995 and such ARTICLE II, Part B shall be eliminated at that time. Any amounts paid from January 1, 1996 under the aforementioned COLA provision (effective January 1, 1996) shall be deducted from amounts payable under ARTICLE I of this Agreement.

Part B - Cost-of-Living Allowance Through January 1, 2000 and Effective Date of Adjustment

(a) A cost-of-living allowance, calculated and applied in accordance with the provisions of Part C of this Article except as otherwise provided in this Part, shall be payable and rolled in to basic rates of pay on December 31, 1999.

(b) The measurement periods shall be as follows:

ARTICLE II - COST-OF-LIVING PAYMENTS (Continued)**Measurement Periods**

Base Month	Measurement Month	Effective Date of Adjustment
March 1995	March 1996	
	plus	
March 1997	March 1998	December 31, 1999

The number of points change in the CPI during each of these measurement periods shall be added together before making the calculation described in Part C, Section 1(e) of this Article.

(c)(i) Floor. The minimum increase in the CPI that shall be taken into account shall be as follows:

Effective Date of Adjustment	Minimum CPI Increase That Shall be Taken Into Account
December 31, 1999	4% of March 1995 CPI plus 4% of March 1997 CPI

(ii) Cap. The maximum increase in the CPI that shall be taken into account shall be as follows:

Effective Date of Adjustment	Maximum CPI Increase That Shall be Taken Into Account
December 31, 1999	6% of March 1995 CPI plus 6% of March 1997 CPI

(d) The cost-of-living allowance payable to each employee and rolled in to basic rates of pay on December 31, 1999 shall be equal to the difference between (i) the cost-of-living allowance effective on that date pursuant to this Part, and (ii) the lesser of (x) the cents per hour produced by dividing one-quarter of the increase, if any, in the carriers' 1998 payment rate for foreign-to-occupation health benefits under the Plan over such payment rate for 1995, by the average composite straight-time equivalent hours that are subject to wage increases for the latest year for which statistics are available, and (y) one half of the cost-of-living allowance effective on December 31, 1999 pursuant to this Part.

Part C - Cost-of-Living Allowance and Adjustments Thereto After January 1, 2000**Section 1 - Cost-of-Living Allowance and Effective Dates of Adjustments**

(a) A cost-of-living allowance shall be payable in the manner set forth in and subject to the provisions of this Part, on the basis of the "Consumer Price Index for Urban Wage Earners and Clerical Workers (Revised Series) (CPI-W)" (1967=100), U.S. Index, all items - unadjusted, as published by the Bureau of Labor Statistics, U.S. Department of Labor, and hereinafter referred to as the CPI. The first such cost-of-living allowance shall be payable effective July 1, 2000 based, subject to paragraph (d), on the CPI for March 2000 as compared with the CPI for September 1999. Such allowance, and further cost-of-living adjustments thereto which shall become effective as described below, shall be based on the change in the CPI during the respective measurement periods shown in the following table, subject to the exception provided in paragraph (d) (iii), according to the formula set forth in paragraph (e).

ARTICLE II - COST-OF-LIVING PAYMENTS (Continued)**Measurement Periods**

Base Month	Measurement Month	Effective Date of Adjustment
September 1999	March 2000	July 1, 2000
March 2000	September 2000	January 1, 2001

Measurement Periods and Effective Dates conforming to the above schedule shall be applicable to periods subsequent to those specified above during which this Article is in effect.

- (b) While a cost-of-living allowance is in effect, such cost-of-living allowance shall apply to straight time, overtime, vacations, holidays and to special allowances in the same manner as basic wage adjustments have been applied in the past, except that such allowance shall not apply to duplicate time payments, including arbitrarics and special allowances that are expressed in time, miles or fixed amounts of money.
- (c) The amount of the cost-of-living allowance, if any, that shall be effective from one adjustment date to the next may be equal to, or greater or less than, the cost-of-living allowance in effect in the preceding adjustment period.
- (d)(i) Cap. In calculations under paragraph (c), the maximum increase in the CPI that shall be taken into account shall be as follows:

Effective Date of Adjustment	Maximum CPI Increase That May Be Taken Into Account
July 1, 2000	3% of September 1999 CPI
January 1, 2001	6% of September 1999 CPI, less the increase from September 1999 to March 2000

Effective Dates of Adjustment and Maximum CPI Increases conforming to the above schedule shall be applicable to periods subsequent to those specified above during which this Article is in effect.

- (ii) **Limitation.** In calculations under paragraph (c), only fifty (50) percent of the increase in the CPI in any measurement period shall be considered.
- (iii) If the increase in the CPI from the base month of September 1999 to the measurement month of March 2000 exceeds 3% of the September 1999 base index, the measurement period that shall be used for determining the cost-of-living adjustment to be effective the following January shall be the 12-month period from such base month of September; the increase in the index that shall be taken into account shall be limited to that portion of the increase that is in excess of 3% of such September base index; and the maximum increase in that portion of the index that may be taken into account shall be 6% of such September base index less the 3% mentioned in the preceding clause, to which shall be added any residual tenths of points which had been dropped under paragraph (e) below in calculation of the cost-of-living adjustment which shall have become effective July 1, 2000 during such measurement period.
- (iv) Any increase in the CPI from the base month of September 1999 to the measurement month of September 2000 in excess of 6% of the September 1999 base index shall not be taken into account in the determination of subsequent cost-of-living adjustments.

ARTICLE II - COST-OF-LIVING PAYMENTS (Continued)

- (v) The procedure specified in subparagraphs (iii) and (iv) shall be applicable to all subsequent periods during which this Article is in effect.
- (c) **Formula.** The number of points change in the CPI during a measurement period, as limited by paragraph (d), shall be converted into cents on the basis of one cent equals 0.3 full points. (By "0.3 full points" it is intended that any remainder of 0.1 point or 0.2 point of change after the conversion shall not be counted.)

The cost-of-living allowance in effect on December 31, 2000 shall be adjusted (increased or decreased) effective January 1, 2001 by the whole number of cents produced by dividing by 0.3 the number of points (including tenths of points) change, as limited by paragraph (d), in the CPI during the applicable measurement period. Any residual tenths of a point resulting from such division shall be dropped. The result of such division shall be added to the amount of the cost-of-living allowance in effect on December 31, 2000 if the CPI shall have been higher at the end than at the beginning of the measurement period, and subtracted therefrom only if the index shall have been lower at the end than at the beginning of the measurement period and then, only, to the extent that the allowance remains at zero or above. The same procedure shall be followed in applying subsequent adjustments.
- (f) Continuance of the cost-of-living allowance and the adjustments thereto provided herein is dependent upon the availability of the official monthly BLS Consumer Price Index (CPI-W) calculated on the same basis as such Index, except that, if the Bureau of Labor Statistics, U.S. Department of Labor should, during the effective period of this Article, revise or change the methods or basic data used in calculating such Index in such a way as to affect the direct comparability of such revised or changed index with the CPI-W during a measurement period, then that Bureau shall be requested to furnish a conversion factor designed to adjust the newly revised index to the basis of the CPI-W during such measurement period.

Section 2 - Payment of Cost-of-Living Allowances

- (a) The cost-of-living allowance payable to each employee effective July 1, 2000 shall be equal to the difference between (i) the cost-of-living allowance effective on that date pursuant to Section 1 of this Part, and (ii) the lesser of (x) the cents per hour produced by dividing one-quarter of the increase, if any, in the carriers' 1999 payment rate for foreign-to-occupation health benefits under the Plan over such payment rate for 1998, by the average composite straight-time equivalent hours that are subject to wage increases for the latest year for which statistics are available, and (y) one-half of the cost-of-living allowance effective July 1, 2000.
- (b) The increase in the cost-of-living allowance effective January 1, 2000 pursuant to Section 1 of this Part shall be payable to each employee commencing on that date.
- (c) The increase in the cost-of-living allowance effective July 1, 2001 pursuant to Section 1 of this Part shall be payable to each employee commencing on that date.
- (d) The procedure specified in paragraphs (b) and (c) shall be followed with respect to computation of the cost-of-living allowances payable in subsequent years during which this Article is in effect.
- (e) The definition of the carriers' payment rate for foreign-to-occupation health benefits under the Plan set forth in Section 9 of ARTICLE I shall apply with respect to any year covered by this Section.
- (f) In making calculations under this Section, fractions of a cent shall be rounded to the nearest whole cent; fractions less than one-half cent shall be dropped and fractions of one-half cent or more shall be increased to the nearest full cent.

ARTICLE II - COST-OF-LIVING PAYMENTS (Continued)

Section 3 - Application of Cost-of-Living Allowances

The cost-of-living allowance provided for by Section 1 of this Part C will not become part of basic rates of pay. In application of such allowance, each one cent per hour of cost-of-living allowance that is payable shall be treated as an increase of 8 cents in the basic daily rates of pay produced by application of ARTICLE I. The Cost-of-living allowance will otherwise be applied in keeping with the provisions of Section 8 of ARTICLE I.

Section 4 - Continuation of Part C

The arrangements set forth in Part C of this Article shall remain in effect according to the terms thereof until revised by the parties pursuant to the Railway Labor Act.

ARTICLE III - DENTAL BENEFITS

Section 1 - Continuation of Plan

The benefits now provided under the Railroad Employees National Dental Plan (Dental Plan), modified as provided in Section 2 below, will be continued subject to the provisions of the Railway Labor Act, as amended.

Section 2 - Eligibility

Existing eligibility requirements under the Dental Plan are amended, effective May 1, 1997, to provide that in order for an employee and his eligible dependents to be covered for Covered Dental Expenses (as defined in the Dental Plan) during any calendar month by virtue of rendering compensated service or receiving vacation pay in the immediately preceding calendar month (the "qualifying month"), such employee must have rendered compensated service on, or received vacation pay for at least one (1) calendar day during the applicable qualifying month. Any calendar day on which an employee assigned to an extra list is available for service but does not perform service shall be deemed a day of compensated service solely for purposes of this Section. Existing Dental Plan provisions pertaining to eligibility for and termination of coverage not specifically amended by this Section shall continue in effect.

NOTE: Employees represented by BLE shall continue to be a part of the Railway Employees National Dental Plan (Dental Plan).

Section 3 - Benefit Changes

The following changes will be made effective as of January 1, 1999.

- (a) The maximum benefit (exclusive of any benefits for orthodonture) which may be paid with respect to a covered employee or dependent in any calendar year beginning with calendar year 1999 will be increased from \$1,000 to \$1,500.
- (b) The lifetime aggregate benefits payable for all orthodontic treatment rendered to a covered dependent, regardless of any interruption in service, will be increased from \$750 to \$1,000.
- (c) The exclusion from coverage for implantology (including synthetic grafting) services will be deleted and dental implants and related services will be added to the list of Type C dental services for which the Plan pays benefits.
- (d) Repair of existing dental implants will be added to the list of Type B dental services for which the Plan pays benefits.

ARTICLE III - DENTAL BENEFITS (Continued)

- (e) One application of sealants in any calendar year for dependent children under 14 years of age will be added to the list of Type A dental services for which the Plan pays benefits.
- (f) The Plan will pay 80%, rather than 75%, of covered expenses for Type B dental services.
- (g) The Plan will establish and maintain an 800 telephone number that employees and dependents may use to make inquiries regarding the Plan.

ARTICLE IV - VISION CARE**Section 1 - Establishment and Effective Date**

The railroads will establish a Vision Care Plan to provide specified vision care benefits to employees and their dependents, to become effective January 1, 1999 and to continue thereafter subject to provisions of the Railway Labor Act, as amended, according to the following provisions:

- (a) **Eligibility and Coverage.** Employees and their dependents will be eligible for coverage under the Plan beginning on the first day of the calendar month after the employee has completed a year of service for a participating railroad, but no earlier than the first day of January 1999. An eligible employee who renders compensated service on, or receives vacation pay for at least one (1) calendar day in a calendar month will be covered under the Plan, along with his eligible dependents, during the immediately succeeding calendar month. Any calendar day on which an employee assigned to an extra list is available for service but does not perform service shall be deemed a day of compensated service solely for purposes of this Section.

NOTE: Employees represented by BLE shall continue to be a part of the Vision Care Plan.

- (b) **Managed Care.** Managed vision care networks that meet standards developed by the National Carriers' Conference Committee concerning quality of care, access to providers and cost effectiveness shall be established wherever feasible. Employees who live in a geographical area where a managed vision care network has been established will be enrolled in the network along with their covered dependents. Employees enrolled in a managed vision care network will have a point-of-service option allowing them to choose an out-of-network provider to perform any vision care service covered by the Plan that they need. The benefits provided by the Plan when services are performed by in-network providers will be greater than the benefits provided by the Plan when the services are performed by providers who are not in-network providers, including providers in geographic areas where a managed vision care network has not been established. These two sets of benefits will be as described in the table below.

Plan Benefit	In-Network	Other Than In-Network
One vision examination per 12-month period	100% of reasonable and customary charges	100% of reasonable and customary charges up to a \$35 maximum
One set of frames of any kind per 24-month period	100% of reasonable and customary charges (1)	100% of reasonable and customary charges up to a \$35 maximum
One set of two lenses of any kind, including contact lenses per 24-month period.	100% of reasonable and customary charges (2)	100% of reasonable and customary charges up to the following maximums: up to \$25 for single vision lenses up to \$40 for bifocals

ARTICLE IV - VISION CARE (Continued)**Section(b) - Managed Care. Table continued -**

Plan Benefit	In-Network	Other Than In-Network
		up to \$55 for trifocals
		up to \$80 for lenticulars
		up to \$210 for medically necessary contact lenses
		up to \$105 for contact lenses that are not medically necessary
Where the employee or dependent requires only one lens	100% of reasonable and customary charges 2/	100% of reasonable and customary charges up to a maximum of one-half of the maximum benefit payable for a set of two lenses of the same kind
(1)	Patients who select frames that exceed a wholesale allowance established under the program may be required to pay part of the cost of the frames selected.	
(2)	Patients may be required to pay part of the cost of spectacle lenses or lens characteristics that are not necessary for the patient's visual welfare. Moreover, patients who choose contact lenses in lieu of spectacles may be required to pay part of a contact lens evaluation fee and part of the cost of fitting and materials.	

Section 2 - Administration

The Vision Care Plan will be administered by the National Carriers' Conference Committee, which will bear the same responsibilities and perform the same functions as it does with respect to The Railroad Employees National Dental Plan, including the development of detailed plan language describing the Plan's eligibility except as modified herein, coverage, benefit and other provisions.

ARTICLE V - BENEFITS ELIGIBILITY**Section 1 - Health and Welfare Plan**

The Railroad Employees National Health and Welfare Plan ("the Plan") is amended, effective May 1, 1997, as provided in this Section. In order for an Eligible Employee (as defined by the Plan) to continue to be covered by the Plan during any calendar month by virtue of rendering compensated service or receiving vacation pay in the immediately preceding calendar month (the "qualifying month"), such employee must have rendered compensated service on, or received vacation pay for at least one (1) calendar day during the applicable qualifying month. Any calendar day on which an employee assigned to an extra list is available for service but does not perform service shall be deemed a day of compensated service solely for purposes of this Section. Existing Plan provisions pertaining to eligibility for and termination of coverage not specifically amended by this Section shall continue in effect.

NOTE: Employees represented by BLE shall continue to be a part of the Railroad Employees National Health & Welfare Plan ("the Plan").

ARTICLE V - BENEFITS ELIGIBILITY (Continued)

Section 2 - Vacation Benefits

Existing rules governing vacations are amended as follows effective January 1, 1997:

- (a) Calendar days on which an employee assigned to an extra list is available for service and on which days he performs no service, not exceeding ninety (90) such days, will be included in the determination of qualification for vacation; also, calendar days, not in excess of forty-five (45), on which an employee is absent from and unable to perform service because of injury received on duty will be included. Such calendar days shall not be subject to the multiplying factors set forth in existing vacation rules as amended.
- (b) Calendar days on which an employee is compensated while attending training and rules classes at the direction of the carrier will be included in the determination of qualification for vacation. Such calendar days shall not be subject to the multiplying factors set forth in existing vacation rules as amended.
- (c) During a calendar year in which an employee's vacation entitlement will increase on the anniversary date, such employee shall be permitted to schedule the additional vacation time to which entitled on the anniversary date at any time during that calendar year.
- (d) Existing rules and practices regarding vacations not specifically amended by this Section, including (but not limited to) scheduling of vacations, shall continue in effect without change.

Section 3

This Article is not intended to restrict any of the existing rights of this Carrier except as specifically provided herein.

ARTICLE VI- ENHANCED CUSTOMER SERVICE

Section 1

In the event Indiana Harbor Belt Railroad Company has a customer request for particularized handling that would provide more efficient service, or can show a need for relaxation of certain specific work rules to attract or retain a customer, such service may be instituted; however, this shall be accomplished by a Separate and Special Agreement by and between BLE General Chairperson and Director of Labor Relations.

In the event BLE General Chairperson and Director of Labor Relations are unable to consummate a Separate and Special Agreement, the provisions as set forth in ARTICLE VI, Section 2 herein may apply.

Section 2

- (a) In the event BLE General Chairperson and Director of Labor Relations are unable to consummate a Separate and Special Agreement as set forth in Section 1 as contained in ARTICLE VI herein, prior to implementing enhanced customer service, the Carrier will extend a minimum of a seven (7) day advance notice to General Chairperson of Brotherhood of Locomotive Engineers involved. Such notice will include an explanation of the need to provide the service, a description of the service, and a description of the work rules that may require relaxation for implementation. Relaxation of work rules that may be required under this Article shall be limited to: starting times, on/off duty points, and switching district boundaries.

NOTE: The Carrier shall not utilize Outer Belt Transfer Assignment(s) for the purpose of implementing ARTICLE VI, Section 2, as contained herein, unless mutually agreed upon by the parties signatory hereto.

ARTICLE VI- ENHANCED CUSTOMER SERVICE (Continued)

- (b) A Joint Committee, comprised of the General Manager and Carrier Representative(s), and General Chairperson and Organization Representative(s), shall determine whether a need exists, as provided in paragraph (a), to provide the service. If the Joint Committee has not made its determination by the end of the advance notice period referenced in paragraph (a), it shall be deemed to be deadlocked, and the service will be allowed on an experimental basis for a three-month period. If, after the three-months has expired, the Organization members of the Joint Committee continue to object, the matter shall be referred to arbitration.
- (c) If the parties are unable to agree upon an arbitrator within seven days of the date of the request for arbitration, either party may request the National Mediation Board to provide a list of five potential arbitrators, from which the parties shall choose the arbitrator through alternate striking. The order of such striking shall be determined by coin flip unless otherwise agreed by the parties.
- (d) The determination of the arbitrator shall be limited to whether the carrier has shown a bona fide need to provide the service requested or can provide the service without a special exception to existing work rules being made at a comparable cost to the carrier. If the arbitrator determines that this standard has not been met, the arbitrator shall have the discretion to award compensation for all wages and benefits lost by an employee as a result of the carrier's implementation of its proposal.

Section 3

The following questions and answers shall apply to ARTICLE VI, Section 2, as contained herein and shall be made a part of this Agreement to the same extent as if included herein.

- Q-1:** Should the Carrier notify the BLE General Chairperson in writing when and where it intends to establish such service and identify the involved customer?
- A-1:** Yes, and such notification should include the specific rule(s) where relief or relaxation is requested.
- Q-2:** Can a carrier be considered a customer in the application of this rule?
- A-2:** The word "customer", as used in paragraph (a), was not meant to apply to a carrier.
- Q-3:** Does ARTICLE VI contemplate the use of yard crews from one switching district or carrier to perform service for a customer which is located on the line of another carrier?
- A-3:** It is not the intent of the rule to permit yard crews from one carrier to substitute for yard crews of another unrelated carrier.
- Q-4:** Are any employee protective provisions applicable to employees adversely affected by the institution of service under ARTICLE VI?
- A-4:** As set forth in Section 2 (d).
- Q-5:** Does ARTICLE VI contemplate the establishment of split-shifts in yard service?
- A-5:** No.

ARTICLE VI- ENHANCED CUSTOMER SERVICE (Continued)

- Q-6:** Paragraph (d) requires that the Carrier show a "bona fide" need for the rule relief requested or that it cannot provide the service at a "Comparable cost" under the existing rules. Will the Carrier's burden of proof in this regard be met simply by showing that the customer service can be accomplished at a reduced cost?
- A-6:** No. The Carrier will also have to show that it can provide more efficient service.
- Q-7:** If a carrier fails to comply with the provisions of ARTICLE VI, what remedy is available to employees adversely affected by the carrier's implementation of its proposal?
- A-7:** The arbitrator is authorized to fashion a remedy appropriate to the circumstances under Section 2 (d).

ARTICLE VII - 401(K) PLAN**Section 1**

Not later than May 5, 1997, Indiana Harbor Belt Railroad Company shall establish a qualified 401(K) retirement plan for employees covered by this Agreement. Such plan need not be contributory with respect to the carrier.

Section 2 - 401(K) Plan Outline**1. Description of Plan**

The 401(K) Plan, to become effective May 5, 1997, is designed to provide tax-advantage retirement savings benefits to eligible employees.

Monies directed into the Plan will not be taxed for Federal income tax purposes or most State tax purposes. Interest and/or dividend earnings are not taxed until distribution, and may be eligible for IRA rollover or five (5) year averaging tax treatment. However, all distributions from the Plan will be subject to taxation in accordance with IRS regulations in effect at the time of distribution.

2. Eligibility

An Employee must be employed by Indiana Harbor Belt Railroad Company for at least sixty (60) days in order to be eligible to participate in this 401(K) Plan as contained in ARTICLE VII herein.

3. Employee Elective Contributions

On May 5, 1997, and monthly thereafter, each employee may designate up to 10% of his W-2 earnings to be directed into his 401(K) account, in 1% increments, up to the maximum permissible by law. All funds placed in the Plan shall be subject to limitations in accordance with the Internal Revenue Code.

4. Vesting

Participants shall be 100% vested immediately in their 401(K) accounts including employee elective contributions, interest and dividends. The value of the accounts fluctuates with investment performance.

ARTICLE VII - 401(K) PLAN (Continued)**5. Investment Options:**

- (a) Participants will be able to direct the investment of their 401(K) accounts. The Plan shall include investment options to be selected by the Company. Initially, these options are four to six Fidelity investment funds.
- (b) Participants shall be permitted to direct the allocation of their contributions among the available investment options in 10% increments.
- (c) Participants shall also be permitted to reallocate existing account balances among available investment options intervals in 10% increments.

6. Withdrawals

Withdrawals from the Plan are available in the event of retirement, death, disability, termination, after attainment of age 59 1/2, or in the event of hardship. Hardship withdrawals shall be determined on the basis of the "safe harbor" rule as established by the IRS.

In addition, effective May 5, 1997, the Plan shall provide for loans to participants, as permitted by applicable IRS rules. Loans shall be a minimum of \$500 and for a maximum of 60 months. No more than one loan shall be outstanding at any one time. The rate of interest charged shall be one percentage point above the prevailing prime rate, determined each January 1 and July 1. The interest rate on a loan shall be fixed for the life of the loan. Repayment to the participant's own account shall be subject to IRS restrictions, and shall be made by payroll deductions where applicable.

7. Plan Administration

- (a) The Plan Administrator and Fidelity Investments shall be the Plan Trustee and Recordkeeper. The Company reserves the right, however, to change the Administrator, Trustee or Recordkeeper at any time.
- (b) The Company will bear the payroll, trust, recordkeeping, and transaction fees, except fees required to be borne by the Trustee in connection with the investment of funds and except any loan processing fees.
- (c) The Plan Administrator will conduct periodic anti-discrimination tests as required by law and shall approve all hardship withdrawal requests.
- (d) Each Plan participant shall be furnished by the Plan Administrator with a summary Plan Description and full Plan document at the time of enrollment in the Plan. These documents shall be furnished at the expense of the Company.
- (e) The Plan must receive Internal Revenue Service approvals.

8. Plan Information and Enrollment

- (a) The Plan Trustee will provide participants quarterly written reports of their account balances.
- (b) The Trustee shall prepare and distribute educational materials regarding the Plan to eligible employees.

Note: The above language is not prescriptive; it is understood that any IHB 401(K) program will follow the dictates and procedures as outlined by Consolidated Rail Corporation or its successors.

ARTICLE VIII - ENGINEERS CERTIFICATION PAY

All of the provisions contained in Arbitration Board 564 in connection with Engineer Certification Pay by and between the railroads represented by National Carrier's Conference Committee and Employees of such railroads represented by Brotherhood of Locomotive Engineers is hereby agreed to and shall be incorporated into and made a part of this Agreement to the same extent as if included herein.

ARTICLE IX - LUNCH PERIOD

ARTICLE VI - Lunch Period, as contained in the February 1, 1993 Agreement between Indiana Harbor Belt Railroad Company and its Employees represented by Brotherhood of Locomotive Engineers is hereby abrogated and the following shall apply in substitution thereof.

Section 1 - Lunch Period for Locomotive Engineers Working in Outer Belt Transfer Service

- (a) An Engineer in Outer Belt Transfer Service shall be allowed thirty (30) minutes for lunch without deduction in pay. The lunch period shall commence between 3 hours and 8 hours after the starting time of the assignment.
- (b) In the event an Engineer in Outer Belt Transfer Service is not afforded a lunch period during his tour of duty as specified in ARTICLE IX, Section 1 (a) herein, the lunch period shall be considered waived and that Engineer shall be paid thirty (30) minutes at the applicable overtime rate of pay in addition to any other compensation, in lieu thereof.
- (c) It is agreed that all members of the crew shall begin and end their lunch period as a unit.
- (d) It is agreed that all members of the crew shall be afforded an appropriate/reasonable facility for lunch.

Section 2 - Lunch Period for Locomotive Engineers Working in Other Than Outer Belt Transfer Service.

- (a) An Engineer in other than Outer Belt Transfer Service shall be allowed thirty (30) minutes for lunch without deduction in pay. The lunch period shall commence between 3 hours and 7 hours after the starting time of the assignment.
- (b) In the event an Engineer in other than Outer Belt Transfer Service is not afforded a lunch period during his tour of duty in accordance with the provisions as set forth in ARTICLE IX, Section 2 (a) herein, such Engineer shall be paid thirty (30) minutes at the applicable overtime rate of pay in addition to any other compensation, in lieu thereof. It is hereby understood that, additionally, such Engineer shall be allowed a lunch period as close to the four (4) hour period as service requirements permit, subject to the provisions as contained in ARTICLE IX, Section 2 (c) herein.
- (c) In the event an Engineer in other than Outer Belt Transfer Service is not afforded a lunch period prior to ten (10) hours on duty, such Engineer shall be paid an additional thirty (30) minutes at the applicable overtime rate of pay in addition to thirty (30) minutes at the applicable overtime rate of pay as provided for in Section 2 (b) herein, for a total of sixty (60) minutes at the applicable overtime rate of pay in addition to any other compensation and the lunch period shall be considered waived.
- (d) It is agreed that all members of the crew shall begin and end their lunch period as a unit.
- (e) It is agreed that all members of the crew shall be afforded an appropriate/reasonable facility for lunch.

ARTICLE X - HERDER SERVICE

All Herder Agreements, such as but not limited to the Agreement contained in the Memorandum of Agreement between Indiana Harbor Belt Railroad and the Employees' represented by Brotherhood of Locomotive Engineers dated September 16, 1985, is/are hereby abrogated and the following Agreement shall apply in substitution thereof.

Section 1

Effective May 1, 1997 and thereafter, the Carrier shall not call or establish a Herder Assignment(s) in Yard service or in Outer Belt Transfer service.

Section 2

Effective May 1, 1997 and thereafter, an Engineer(s) in Yard service (in other than Outer Belt Transfer service) may be required to distribute locomotive(s) within the confines of such yard assignment's switching district, without additional compensation.

Section 3

Effective May 1, 1997 and thereafter, an Engineer(s) in Outer Belt Transfer service may be required to distribute locomotive(s) from one switching district to another, without additional compensation.

ARTICLE XI - EFFECT OF THIS AGREEMENT

Section 1

This Agreement is made in full and final disposition of all outstanding notices, served upon Indiana Harbor Belt Railroad Company by Brotherhood of Locomotive Engineers on or about November 1, 1994, and on or about December 20, 1996, and also all notices served upon Brotherhood of Locomotive Engineers on or about December 26, 1996, by Indiana Harbor Belt Railroad Company, for concurrent handling, pursuant to the provisions of the Railway Labor Act as amended.

Section 2

The parties to this Agreement shall not serve nor progress prior to November 1, 1999 (not to become effective before January 1, 2000), any notice or proposal for the purpose of changing provisions of this Agreement and any proposals in pending notices, if any, relating to such subject matters are hereby withdrawn.

No party to this Agreement shall serve or progress, prior to November 1, 1999 (not to become effective before January 1, 2000), any notice or proposal which might properly have been served when the last moratorium ended on November 1, 1994, and any proposals in pending notices, if any, relating to such subject matters are hereby withdrawn.

Section 3

New proposals properly served under the Railway Labor Act covering subject matters which do not request compensation may be progressed under the provisions of the Railway Labor Act, as amended.

Section 4

This Article will not bar Management and the Organization from agreeing upon any subject of mutual interest.

ARTICLE XI - EFFECT OF THIS AGREEMENT (Continued)

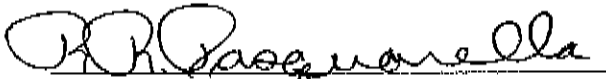
Section 5

This Agreement (PART ONE), APPENDIX I, and Side Letters #1 through and including #11 shall become effective May 1, 1997, and shall remain in effect through December 31, 1999 and thereafter, until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

Signed at Hammond, Indiana, this 14TH day of March, 1997.

FOR THE BROTHERHOOD OF LOCOMOTIVE ENGINEERS:

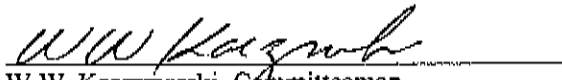
FOR THE INDIANA HARBOR BELT RAILROAD COMPANY:



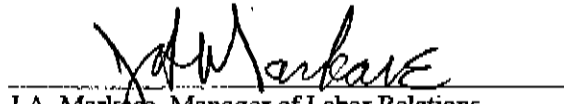
R.R. Pasquarella, General Chairman



C.H. Allen, General Manager



W.W. Karczmarski, Committeeman



J.A. Markase, Manager of Labor Relations

APPENDIX I

Engineer Rates Effective 12/1/95

Straight time per hour rate = \$19.025

Overtime rate per hour = \$28.538

Minutes	Hour					Hour		
	8	9	10	11	12	13	14	15
0	\$152.20	\$180.74	\$209.28	\$237.81	\$266.35	\$294.89	\$323.43	\$351.96
5	\$154.58	\$183.12	\$211.65	\$240.19	\$268.73	\$297.27	\$325.80	\$354.34
10	\$156.96	\$185.49	\$214.03	\$242.57	\$271.11	\$299.64	\$328.18	\$356.72
15	\$159.33	\$187.87	\$216.41	\$244.95	\$273.48	\$302.02	\$330.56	\$359.10
20	\$161.71	\$190.25	\$218.79	\$247.33	\$275.86	\$304.40	\$332.94	\$361.48
25	\$164.09	\$192.63	\$221.17	\$249.70	\$278.24	\$306.78	\$335.32	\$363.85
30	\$166.47	\$195.01	\$223.54	\$252.08	\$280.62	\$309.16	\$337.69	\$366.23
35	\$168.85	\$197.38	\$225.92	\$254.46	\$283.00	\$311.53	\$340.07	\$368.61
40	\$171.23	\$199.76	\$228.30	\$256.84	\$285.38	\$313.91	\$342.45	\$370.99
45	\$173.60	\$202.14	\$230.68	\$259.22	\$287.75	\$316.29	\$344.83	\$373.37
50	\$175.98	\$204.52	\$233.06	\$261.59	\$290.13	\$318.67	\$347.21	\$375.74
55	\$178.36	\$206.90	\$235.43	\$263.97	\$292.51	\$321.05	\$349.58	\$378.12

Engineer Rates Effective 7/1/97

Straight time per hour rate = \$19.691

Overtime rate per hour = \$29.537

Minutes	Hour					Hour		
	8	9	10	11	12	13	14	15
0	\$157.53	\$187.07	\$216.60	\$246.14	\$275.68	\$305.21	\$334.75	\$364.29
5	\$159.99	\$189.53	\$219.07	\$248.60	\$278.14	\$307.68	\$337.21	\$366.75
10	\$162.45	\$191.99	\$221.53	\$251.06	\$280.60	\$310.14	\$339.67	\$369.21
15	\$164.91	\$194.45	\$223.99	\$253.52	\$283.06	\$312.60	\$342.14	\$371.67
20	\$167.38	\$196.91	\$226.45	\$255.99	\$285.52	\$315.06	\$344.60	\$374.13
25	\$169.84	\$199.37	\$228.91	\$258.45	\$287.98	\$317.52	\$347.06	\$376.60
30	\$172.30	\$201.84	\$231.37	\$260.91	\$290.45	\$319.98	\$349.52	\$379.06
35	\$174.76	\$204.30	\$233.83	\$263.37	\$292.91	\$322.44	\$351.98	\$381.52
40	\$177.22	\$206.76	\$236.30	\$265.83	\$295.37	\$324.91	\$354.44	\$383.98
45	\$179.68	\$209.22	\$238.76	\$268.29	\$297.83	\$327.37	\$356.90	\$386.44
50	\$182.14	\$211.68	\$241.22	\$270.75	\$300.29	\$329.83	\$359.37	\$388.90
55	\$184.61	\$214.14	\$243.68	\$273.22	\$302.75	\$332.29	\$361.83	\$391.36

Engineer Rates Effective 7/1/99

Straight time per hour rate = \$20.380

Overtime rate per hour = \$30.570

Minutes	Hour					Hour		
	8	9	10	11	12	13	14	15
0	\$163.04	\$193.61	\$224.18	\$254.75	\$285.32	\$315.89	\$346.46	\$377.03
5	\$165.59	\$196.16	\$226.73	\$257.30	\$287.87	\$318.44	\$349.01	\$379.58
10	\$168.14	\$198.71	\$229.28	\$259.85	\$290.42	\$320.99	\$351.56	\$382.13
15	\$170.68	\$201.25	\$231.82	\$262.39	\$292.96	\$323.53	\$354.10	\$384.67
20	\$173.23	\$203.80	\$234.37	\$264.94	\$295.51	\$326.08	\$356.65	\$387.22
25	\$175.78	\$206.35	\$236.92	\$267.49	\$298.06	\$328.63	\$359.20	\$389.77
30	\$178.33	\$208.90	\$239.47	\$270.04	\$300.61	\$331.18	\$361.75	\$392.32
35	\$180.87	\$211.44	\$242.01	\$272.58	\$303.15	\$333.72	\$364.29	\$394.86
40	\$183.42	\$213.99	\$244.56	\$275.13	\$305.70	\$336.27	\$366.84	\$397.41
45	\$185.97	\$216.54	\$247.11	\$277.68	\$308.25	\$338.82	\$369.39	\$399.96
50	\$188.52	\$219.09	\$249.66	\$280.23	\$310.80	\$341.37	\$371.94	\$402.51
55	\$191.06	\$221.63	\$252.20	\$282.77	\$313.34	\$343.91	\$374.48	\$405.05



INDIANA HARBOR BELT RAILROAD COMPANY
2721 - 161ST STREET HAMMOND, INDIANA 46323-1099

C. H. ALLEN
GENERAL MANAGER

HAMMOND
(219) 989-4703
FAX
(219) 989-4707

March 14, 1997

Side Letter #1

Mr. R.R. Pasquarella
General Chairman, BLE
1152 North Cedar
New Lenox, IL 60451

Dear Mr. Pasquarella:

This refers to the increase in wages provided for in ARTICLE I, Section 1, of the May 1, 1997 Agreement.


It is understood that the retroactive portion of that wage increase shall be applied only to employees who have an employment relationship with the Carrier on the date of this Agreement or who retired or died subsequent to December 1, 1995.

Please acknowledge your agreement by signing your name in the space provided below.

Very truly yours,


C.H. Allen
General Manager

I agree:



R.R. Pasquarella, General Chairman, BLE



INDIANA HARBOR BELT RAILROAD COMPANY

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March 14, 1997

Side Letter #2

Mr. R.R. Pasquarella
General Chairman, BLE
1152 North Cedar
New Lenox, IL 60451

Dear Mr. Pasquarella:

This refers to the Lump Sum Payments provided for in ARTICLE I of the May 1, 1997 Agreement.

Sections 3 and 5 of ARTICLE I are structured so as to provide payments that are essentially based on the compensation earned by an employee during a specified calendar year. Section 10 provides that all of these payments are payable to an employee who has an employment relationship as of the dates such payments are made or has retired or died subsequent to the beginning of the applicable calendar year used to determine the amount of such payments. Thus, for example, under Section 3 of ARTICLE I, except for an employee who has retired or died, the Agreement requires that an employee have an employment relationship on July 1, 1996 in order to receive that lump sum payment.

The intervals between the close of the measurement periods and the actual payments established in the February 1, 1993 Agreement were in large measure a convenience to the carriers in order that there be adequate time to make the necessary calculations.

In recognition of this, we again confirm the understanding that an individual having an employment relationship with a carrier on the last day of a particular calendar year used to determine the amount of a payment under Section 3 and 5 of ARTICLE I will not be disqualified from receiving the payment provided for in the event his employment relationship is terminated following the last day of such calendar year but prior to the payment due date.

Please indicate your agreement by signing your name in the space provided below.

Very truly yours,

C.H. Allen
General Manager

I agree:

R.R. Pasquarella, General Chairman, BLE

**INDIANA HARBOR BELT RAILROAD COMPANY**

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(219) 989-4707

March 14, 1997

Side Letter #3Mr. R.R. Pasquarella
General Chairman, BLE
1152 North Cedar
New Lenox, IL 60451

Dear Mr. Pasquarella:

This will confirm our understanding reached during our negotiations of the May 1, 1997 Agreement that an Engineer entitled to receive one or more of the following payments shall receive one separate check for the following:

1. Retroactive Back Pay (PART ONE - ARTICLE 1 - Section 1 - Note)
2. Signing Bonus (PART ONE - ARTICLE 1 - Section 2 - Note)
3. First Lump Sum Payment (PART ONE - ARTICLE 1 - Section 3 - Note)

However, it is also understood that the Carrier shall provide each and all Engineers a payroll detail attributed to each payment as referred to above as to identify such payments separately.

Please indicate your agreement by signing your name in the space provided below.

Very truly yours,

C.H. Allen
General Manager

I agree:

R.R. Pasquarella, General Chairman, BLE



INDIANA HARBOR BELT RAILROAD COMPANY
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March 14, 1997

Side Letter #4

Mr. R.R. Pasquarella
General Chairman, BLE
1152 North Cedar
New Lenox, IL 60451

Dear Mr. Pasquarella:

This will confirm our understanding reached during our negotiations of the May 1, 1997 Agreement that the Carrier shall furnish all Engineers an accurate pay schedule in connection with the application of ARTICLE II, COST-OF-LIVING PAYMENTS as contained in PART ONE, ARTICLE II, of the May 1, 1997 Agreement, by January 15, 2000.

Please indicate your agreement by signing your name in the space provided below.

Very truly yours,

C.H. Allen
General Manager

I agree:

R.R. Pasquarella, General Chairman, BLE



INDIANA HARBOR BELT RAILROAD COMPANY
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March 14, 1997

Side Letter #5

Mr. R.R. Pasquarella
General Chairman, BLE
1152 North Cedar
New Lenox, IL 60451

Dear Mr. Pasquarella:

This will confirm our understanding reached during our negotiations of the May 1, 1997 Agreement that on or about January 1, 1999 and thereafter, the Carrier shall furnish all Engineers a payroll check detail to accompany their bi-monthly paychecks.

Please indicate your agreement by signing your name in the space provided below.

Very truly yours,

C.H. Allen
General Manager

I agree:

R.R. Pasquarella, General Chairman, BLE



INDIANA HARBOR BELT RAILROAD COMPANY

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March 14, 1997

Side Letter #6

Mr. R.R. Pasquarella
General Chairman, BLE
1152 North Cedar
New Lenox, IL 60451

Dear Mr. Pasquarella:

This will confirm our understanding reached during our negotiations of the May 1, 1997 Agreement that ARTICLE III - RATE PROGRESSION - NEW HIRES as contained in the May 1, 1988 Agreement by and between IHB and BLE shall not apply to Engineers who have established a seniority date with this Carrier as an Engineer prior to January 1, 1997. Therefore, effective May 1, 1997 and thereafter, all Engineers who have established an employment date with this Carrier as an Engineer prior to January 1, 1997, shall receive the 100% rate of pay.

Please indicate your agreement by signing your name in the space provided below.

Very truly yours,

C.H. Allen
General Manager

I agree:

R.R. Pasquarella, General Chairman, BLE



INDIANA HARBOR BELT RAILROAD COMPANY

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March 14, 1997

Side Letter #7

Mr. R.R. Pasquarella
General Chairman, BLE
1152 North Cedar
New Lenox, IL 60451

Dear Mr. Pasquarella:

This will confirm our understanding reached during our negotiations of the May 1, 1997 Agreement that ARTICLE VI - TERMINATION OF SENIORITY as contained in the May 1, 1988 Agreement by and between IHB and BLE shall not apply to Engineers who have established a seniority date with this Carrier as an Engineer prior to January 1, 1997. Therefore, all Engineers who have established a seniority date with the Carrier as an Engineer prior to January 1, 1997, shall not be terminated by virtue of ARTICLE VI as contained in the May 1, 1988 Agreement.

Please indicate your agreement by signing your name in the space provided below.

Very truly yours,

C.H. Allen
General Manager

I agree:

R.R. Pasquarella, General Chairman, BLE



INDIANA HARBOR BELT RAILROAD COMPANY
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March 14, 1997

Side Letter #8

Mr. R.R. Pasquarella
General Chairman, BLE
1152 North Cedar
New Lenox, IL 60451

Dear Mr. Pasquarella:

This will confirm our understanding reached during our negotiations of the May 1, 1997 Agreement that an Engineer may be required to place ice and water on their locomotive(s) at any location, without additional compensation.

The provisions as contained in this Side Letter are not intended to infringe on the work rights of another craft as established.

Please indicate your agreement by signing your name in the space provided below.

Very truly yours,

C.H. Allen
General Manager

I agree:

R.R. Pasquarella, General Chairman, BLE



INDIANA HARBOR BELT RAILROAD COMPANY
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March 14, 1997

Side Letter #9

Mr. R.R. Pasquarella
General Chairman, BLE
1152 North Cedar
New Lenox, IL 60451

Dear Mr. Pasquarella:

This will confirm our understanding reached during our negotiations of the May 1, 1997 Agreement that an Engineer may be required to operate computer(s) in connection with their employment relationship with the Indiana Harbor Belt Railroad Company, without additional compensation.

Additionally, the Carrier shall offer Engineers on-duty training in order for them to become conversant and qualified on such computer(s). Furthermore, in the event an Engineer operates such computer(s) in error unintentionally, such Engineer shall not be censured or disciplined in any manner as a result thereof.


The provisions as contained in this Side Letter are not intended to infringe on the work rights of another craft as established.

Please indicate your agreement by signing your name in the space provided below.

Very truly yours,


C.H. Allen
General Manager

I agree:


R.R. Pasquarella, General Chairman, BLE



INDIANA HARBOR BELT RAILROAD COMPANY
2721 - 161ST STREET HAMMOND, INDIANA 46323-1099

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GENERAL MANAGER

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March 14, 1997

Side Letter #10

Mr. R.R. Pasquarella
General Chairman, BLE
1152 North Cedar
New Lenox, IL 60451

Dear Mr. Pasquarella:

This will confirm our understanding reached during our negotiations of the May 1, 1997 Agreement that an Engineer may be required to complete a delay report on pilot assignment(s) in connection with their employment relationship with the Indiana Harbor Belt Railroad Company, without additional compensation.

The provisions as contained in this Side Letter are not intended to infringe on the work rights of another craft as established.

Please indicate your agreement by signing your name in the space provided below.

Very truly yours,

C.H. Allen
General Manager

I agree:

R.R. Pasquarella, General Chairman, BLE



INDIANA HARBOR BELT RAILROAD COMPANY

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March 14, 1997

Side Letter #11

Mr. R.R. Pasquarella
General Chairman, BLE
1152 North Cedar
New Lenox, IL 60451

Dear Mr. Pasquarella:

This will confirm our understanding reached during our negotiations of the May 1, 1997 Agreement that BLE General Chairperson and/or his/her representative(s) shall agree to meet in conference periodically with IHB General Manager and/or his/her representative(s) for the purpose of discussing subjects of mutual interest.

Please indicate your agreement by signing your name in the space provided below.

Very truly yours,

C.H. Allen
General Manager

I agree:

R.R. Pasquarella, General Chairman, BLE