

File: IA-3 BLE

BROTHERHOOD OF LOCOMOTIVE ENGINEERS

INDIANA HARBOR BELT RAILROAD COMPANY

MEMORANDUM OF AGREEMENT

CONCERNING BACKING UP OF LOCOMOTIVES

AS OUTLINED IN THE APRIL 12, 1956 AGREEMENT

dated

September 16, 1985

INDIANA HARBOR BELT RAILROAD COMPANY
2721 - 161ST STREET, P.O. BOX 389, HAMMOND, INDIANA 46325

J.K. BEATTY
MANAGER OF LABOR RELATIONS AND PERSONNEL

H.C. GEORGE
ASSISTANT MANAGER OF LABOR RELATIONS AND PERSONNEL

October 4, 1985

File: BLE Agreement

Mr. G.E. Lane:

The attached Agreements signed at Gibson, Indiana, September 16, 1985, and ratified by the BLE, October 1, 1985, are now in effect. Please notify your subordinates accordingly.

If you have any questions pertaining to these agreements, please let me know.

J.K. BEATTY

JKB/up

ccs: Messrs. A.B. Cravens
H.C. George
A.L. Weeks
T.J. Dowling
S.A. Papa

MEMORANDUM OF AGREEMENT BETWEEN THE BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND THE INDIANA HARBOR BELT RAILROAD CONCERNING BACKING UP OF LOCOMOTIVES AS OUTLINED IN THE AGREEMENT OF APRIL 12, 1956 (PURSUANT TO PARAGRAPH 5 OF THE JULY 24, 1984 LETTER OF UNDERSTANDING).

IT IS AGREED:

1. That the April 12, 1956 Memorandum of Agreement is hereby abrogated.
2. Locomotive Engineer operating locomotives in outer belt transfer service will operate their locomotive or locomotive consist in either direction, regardless of the direction the locomotives are facing, without additional compensation.

This agreement shall become effective September 16, 1985, and shall remain in effect until changed or abrogated under the provisions of the Railway Labor Act, as amended.

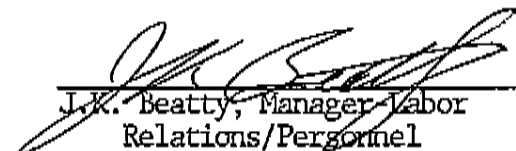
Signed at Gibson, Indiana, this 16th day of September, 1985.

BROTHERHOOD OF LOCOMOTIVE ENGINEERS

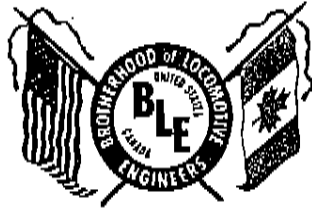


G.R. DeBolt, General Chairman

INDIANA HARBOR BELT RAILROAD COMPANY



J.K. Beatty, Manager Labor Relations/Personnel



General Committee of Adjustment Brotherhood of Locomotive Engineers

Indiana Harbor Belt

16651 88th Avenue, Orland Park, Illinois 60462

G.R. DeBOLT, Chairman
Telephone: (312) 532-6626

October 3, 1985



Mr. J. K. Beatty
Dir. of Lab. Rel. & Per.
IHB Railroad
2721 161st Street
Hammond, In. 46325

Dear Sir:

This to notify you that the agreements signed September 16, 1985 subject to ratification by the membership present at the BLE October 1 meeting, were ratified in accordance to Section 44 (B) of the Brotherhood of Locomotive Engineers constitution and by-laws.

It is understood that the national rate will be reflected on the engineers pay beginning with the first half of October pay period.

It is further understood that all back pay due engineers will be paid on or before November 15, 1985.

Sincerely,

General Chairman

INDIANA HARBOR BELT RAILROAD COMPANY
2721 - 161ST STREET, P.O. BOX 389. HAMMOND, INDIANA 46325

J.K. BEATTY
MANAGER OF LABOR RELATIONS AND PERSONNEL

H.C. GEORGE
ASSISTANT MANAGER OF LABOR RELATIONS AND PERSONNEL

September 16, 1985

File: LA-3 Negotiations

Mr. J.P. Carberry, Vice President
Brotherhood of Locomotive Engineers
455 Empire Blvd.
Rochester, NY 14609

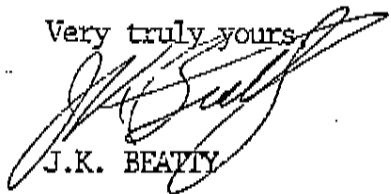
Mr. G.R. DeBolt, General Chairman
Brotherhood of Locomotive Engineers
16651 - 88th Avenue
Orland Park, Illinois 60462

Gentlemen:

It is understood that the agreements signed September 16, 1985, are subject to ratification per Section 44(b) of the Brotherhood of Locomotive Engineers Constitution and By-laws.

It is further understood that you will notify us of the results of the ratification by October 5, 1985.

Very truly yours,



J.K. BEATTY

JKB/rm

INDIANA HARBOR BELT RAILROAD COMPANY
2721 - 161ST STREET, P.O. BOX 389, HAMMOND, INDIANA 46325

J.K. BEATTY
MANAGER OF LABOR RELATIONS AND PERSONNEL

H.C. GEORGE
ASSISTANT MANAGER OF LABOR RELATIONS AND PERSONNEL

September 16, 1985

File: IA-3 Negotiations

Mr. G.R. DeBolt, General Chairman
Brotherhood of Locomotive Engineers
16651 - 88th Avenue
Orland Park, Illinois 60462

Dear Mr. DeBolt:

In full and final settlement of the IHB Wage Modification Agreement dated March 3, 1983, and subsequently executed by the BLE on April 14, 1983,

IT IS AGREED:

1. Effective on July 1, 1984, the basic daily rate of pay, in effect on June 30, 1984 shall be increased by four (4) percent.
2. Effective on July 1, 1985, the remaining wage and cost-of-living increases under the BLE-NRLC National Agreement dated September 28, 1982 shall be applied.

Note: The wage and cost-of-living increases provided for under Item (2) above, shall reflect the National standard daily basic rate applicable to all employees represented by BLE.

3. The retroactive payments due under Items (1) and (2) hereof shall be paid within sixty (60) days from the effective date of this agreement by special paycheck.
4. The wage and cost-of-living increases due under Items (1) and (2) hereof shall be computed so as to ensure proper payment. The General Chairman shall be furnished with a copy of a computerized statement reflecting the method of payment to each employee.

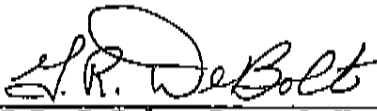
- 5. In the event the IHB and another labor organization signatory to the IHB Wage Modification Agreement dated March 3, 1983, agrees to a greater percentage of retroactive payment, such percentage shall apply and become applicable to employees represented by BLE.

This agreement becomes effective on September 16, 1985, and shall remain in effect until and unless changed under the provisions of the Railway Labor Act, as amended.

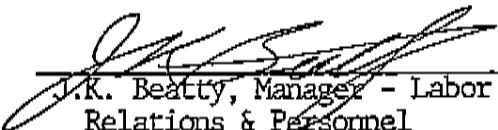
Signed at Hammond, Indiana, this 16th day of September, 1985.

BROTHERHOOD OF LOCOMOTIVE ENGINEERS

INDIANA HARBOR BELT RAILROAD COMPANY



 G.R. DeBolt, General Chairman

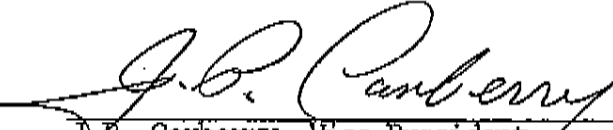


 J.K. Beatty, Manager - Labor Relations & Personnel



 A.B. Cravens, General Manager

APPROVED:



 J.P. Carberry, Vice President
 Brotherhood of Locomotive Engineers

INDIANA HARBOR BELT RAILROAD COMPANY

2721 - 161ST STREET P.O. BOX 389 HAMMOND, INDIANA 46325

A. B. CRAVENS
GENERAL MANAGER

HAMMOND (219) 922-4703
CHICAGO (312) 768-9170

July 24, 1984

File: 310.3

Gentlemen:

Article 1 (b) of the Memorandum of Understanding covering Wage Modifications between Indiana Harbor Belt Railroad and your respective crafts signed in the year 1983, provided for the determination of the financial ability of the Indiana Harbor Belt Railroad to increase rates of pay effective July 1, 1984.

On June 7, 1984, during conference, a presentation covering the corporate financial statements was made to you and copies of the presentation were made available to you. While there was a small net income for the period covered, the amount left the corporation in a fragile financial condition when related to the capital improvements that should be made, given the accumulated deferred maintenance since 1981, and the uncertainty of future business forecasts. At that presentation, no wage increase could be foreseen.

Since June 7, analysis of the situation has continued in an effort to find a way to improve the wage situation.

At this point, the Corporation is agreeable to offering each craft a wage increase of four percent (.04%), effective July 1, 1984, applicable on wage rates received as of June 30, 1984.

In return the Corporation expects a cooperative effort from all crafts to establish new work rules that will enable the Corporation to become more productive and competitive. When this is accomplished, further restoration of wages to national agreement level will be made.

If you are agreeable with this understanding, please indicate your concurrence in the space provided below.

Very truly yours,
A. B. Cravens

I concur:
J. R. DeBolt

General Chairman

Brotherhood of Locomotive Engineers
Organization
Sept 16, 1985

Date