



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

January 16, 2008

Mr. William J. Cales
General Chairman, BLET
16581 West 135th Street
Lemont, IL 60439

Dear Mr. Cales:

This will confirm our understanding reached during our conferences, the most recent of which occurred on January 16, 2008, regarding the following:

Engineer Guaranteed Extra Board

In that the Carrier (IHB) and the Organization (BLET) have mutually agreed to what is known as the "14 day pay period" it is hereby mutually agreed that effective January 23, 2008 the following shall apply.

Guaranteed Extra board engineers shall be entitled to and guaranteed a minimum of eleven (11) tours of duty (starts) per pay period. "i.e. eleven (11) tours of duty (starts) per fourteen (14) day pay period" subject to the provisions of Article VIII as contained in the August 1, 2005 Agreement, between the INDIANA HARBOR BELT RAILROAD COMPANY (IHB) and its Employees Represented by the BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND TRAINMEN (BLET).

Note 1: Engineers may be called off the guaranteed extra board in order to engage in examinations and/or re-examinations or safety classes or training, whichever is applicable, in order to fulfill the terms and conditions as set forth in Section 5 of Article VII-Engineer Availability, as contained in the August 1, 2005 Agreement by and between the INDIANA HARBOR BELT RAILROAD COMPANY and its Employees Represented by the BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND TRAINMEN. Engineers called for the purpose of examinations and/or re-examinations or safety classes or training shall be paid their basic daily rate of pay, including any applicable overtime and arbitraries. In addition, if required to travel outside of his/her home terminal, such engineer shall be paid ninety (90) minutes at their straight time rate of pay.

Note 2: Engineers who are not first out on the guaranteed extra board may be called off the guaranteed extra board in order to engage in familiarization trip(s) in order to become qualified over routes to which his/her seniority applies, in accordance with the terms and conditions as set forth in Article 21, Section D as contained in the August 1, 1928 Agreement (corrected to February, 1957) by and between the INDIANA HARBOR BELT RAILROAD COMPANY and its Employees Represented by the BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND

TRAINMEN. Engineers called for the purpose of examinations and/or re-examinations or safety classes or training shall be paid their basic daily rate of pay, including any applicable overtime and arbitraries.

Note 3: Book-of-Rules classes shall not be considered as training in the application of this agreement.

Note 4: This Section shall not be construed and/or interpreted as changing any of the specific provisions as contained in Article VII of the August 1, 2005 Agreement by and between the IHB and Its Employees Represented by the BLET.

Note 5: For the purpose of transitioning from the previous method of calculating guarantees, the parties agree that the Carrier will pay up to six (6) guarantee days to engineers who qualify for a guarantee(s) for the period of January 16 through and including January 22, 2008, subject to the provisions of Article VIII as contained in the August 1, 2005 Agreement between the IHB and the BLET.

If this correctly sets forth our understanding, please affix your signature in the space provided for below:

Very truly yours,



David H. Nelson
General Superintendent-Operations

AGREED:



William J. Cales, General Chairman, BLET