ARTICLE III - RATE PROGRESSION - NEW HIRES

In any class of service or job classification, rates of pay, additives, and other applicable elements of compensation for an employee whose seniority in engine or train service is established on or after June 1, 1993, will be 75% of the rate for present employees and will increase in increments of 5 percentage points for each year of active service in engine and/or train service until the new employee's rate is equal to that of present employees. A year of active service shall consist of a period of 365 calendar days in which the employee performs a total of 80 or more tours of duty.

(a) Promoted Engineers who have had a previous employment relationship with another carrier and are subsequently hired by the IHB Railroad shall be covered by this Article. Such Engineers however shall receive credit toward completion of the sixty (60) month period for any month in which compensated service was performed as an Engineer for another carrier provided that such compensated service last occurred within one (1) year of the date of employment with the IHB Railroad.

ARTICLE IV - SPECIAL PAY DIFFERENTIAL

alwaysted at

Section 1 - Payment

- (a) Effective in the first pay period following the effective date of this Agreement, a pay differential of \$12.00 per basic day in yard service shall be payable to Engineers promoted prior to June 1, 1993, when working with a Fireman and with a Reduced or Foreman Only Train Crew.
- (b) Effective January 1, 1995, the pay differential shall be increased to \$15.00 per basic yard day.
- (c) The Special Pay Differential shall not be subject to general or cola increases.
- (d) It is mutually agreed to and understood that the pay differential of \$12.00 is in addition to the existing \$2.00 pay differential effective April 6, 1988.

ARTICLE V - HEALTH AND WELFARE PLAN AND EARLY RETIREMENT MAJOR MEDICAL BENEFIT PLAN

All of the provisions contained in Article III entitled "Health and Welfare Plan and Early Retirement Major Medical Benefit Plan", of the Implementing Documents effective November 7, 1991, between the railroads represented by the National Carriers' Conference and employees represented by the Brotherhood of Locomotive Engineers shall be incorporated into and made a part of this Agreement, to the same extent, as if included herein.

ARTICLE VI - LUNCH PERIOD — ABROGATED PARTI ARTICLE IX

Article 18 of the Schedule Working Agreement effective August 1, 1928 (corrected to February 1957) and Article III, Section (8) of the April 6, 1988 Agreement between the Indiana Harbor Belt Railroad and the Brotherhood of Locomotive Engineers are hereby abrogated and the following shall apply in substitution thereof:

Section 1 -

Lunch Period for Locomotive Engineers Working in Outer Belt Transfer Service.

(a) Engineers in Outer Belt Transfer Service shall be allowed twenty (20) minutes for lunch without deduction in pay. The lunch period shall commence between 3 1/2 and 8 hours after the starting time of the assignment.