



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



October 19, 2006

Mr. Ronald R. Pasquarella
General Chairman BLET
2707 Great Meadow Drive
Joliet, IL 60432

Dear Mr. Pasquarella:

This shall confirm our interpretation of ARTICLE VII – Engineer Availability, as contained in the August 1, 2005 Agreement between the INDIANA HARBOR BELT RAILROAD COMPANY and its Employees represented by the BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND TRAINMEN (BLET) reached in our conference at Hammond, Indiana, on October 19, 2006, whereby it is mutually agreed and understood that in the event that an Engineer marks off for reasons of sickness/illness and such Engineer can support the sickness/illness with a Doctor's excuse, such Engineer shall not be penalized for days off on account of sickness/illness in connection with ARTICLE VII.

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

Very truly yours,

M. K. Conley
Director Labor Relations & Human Resources

I agree:

R.R. Pasquarella, General Chairman, BLET

Cc: D. H. Nelson, General Superintendent, IHB
P. D. Drennan, Vice President, UTU