



INDIANA HARBOR BELT RAILROAD COMPANY

2721-161ST STREET, HAMMOND, IN 46323-1099

November 30th, 2001

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

Dear Mr. Pasquarella,

This shall confirm our understanding reached during our conference held in Hammond Indiana, on November 30, 2001, that in the event a regularly assigned Engineer(s) is cancelled on his/her regular assignment the day proceeding the holiday, the day of the holiday and/or the day following the holiday, such Engineer(s) may remain on that assignment as cancelled and shall be qualified for the purpose of receiving holiday pay.

Additionally, in the event a regularly assigned Engineer(s) is bumped from his/her regular assignment the day proceeding the holiday, the day of the holiday and/or the day following the holiday, such Engineer(s) shall not be required to exercise his/her seniority on that day and shall be qualified for the purpose of receiving holiday pay, however, such Engineer(s) shall be required to be available to perform service on that day for the Carrier, if called upon, in order to meet the requirements of the service. In the event such Engineer(s) is required to perform service on the day proceeding the holiday, the day of the holiday and/or the day following the holiday, such Engineer(s), who elected to utilize this Agreement, shall be called in reverse seniority order to perform service on that day for the Carrier. In the event such Engineer(s), who elected to utilize this Agreement are not available, if called upon, to perform service for the Carrier on that day, such Engineer(s) shall not qualify for the purpose of receiving holiday pay.

Furthermore, a regularly assigned Engineer(s) may request to lay off on his/her regular assignment on the actual day of the holiday and shall qualify for the purpose of receiving holiday pay, however, this layoff request/permission shall be granted at the sole discretion of the Carrier.

Note 1: A holiday, as referred to herein, is made in reference to paid holidays as provided for in the National Holiday Agreement, as amended.

Note 2: Except as provided for herein, all of the terms and conditions as contained in the National Holiday Agreement, as amended, shall remain in full force and effect.

This Letter of Understanding and the provisions contained herein shall become effective on December 1st, 2001, and thereafter, however either party may cancel this Letter of Understanding upon ten (10) days written notice one party to the other.

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

Sincerely,

Joseph A. Markase
Manager of Labor Relations & Personnel -
Contract Administration

I agree:

R.R. Pasquarella, General Chairman, BLE