

Section 1 UP (westbound) outbound road crew(s) may pick up road train(s) between Superior located at La Grange, Illinois and CP Hill located at Bellwood, Illinois, on Indiana Harbor Belt Railroad Company.

These road train(s) must depart from the aforementioned location(s) to points beyond UP Proviso Yard and such traffic shall be handled in accordance with the provisions as set forth herein in A thru F.

- Section 2 A. In the event an IHB Outer Belt Transfer Assignment destined to Union Pacific is relieved from any train, road train or otherwise, between Superior and CP Hill, such Engineer on such Outer Belt Transfer Assignment(s) shall be paid not less than eight hours of straight time pay, and four hours of overtime pay (a total of twelve hours pay), at the applicable rates of pay for that assignment.
- B. Article VIII – Lunch Period as contained in the 5-01-97 Agreement between Indiana Harbor Belt Railroad Company and its Employees represented by Brotherhood of Locomotive Engineers shall apply and thirty (30) minutes shall be paid at the overtime rate, if applicable, in addition to the not less than twelve (12) hours as provided for in Article V, Section 2A. as contained herein.

Article VI Service Scale

Pages 3 – 4

- Section 1 Effective 8-01-05 and thereafter, an Engineer who has established seniority on or prior to 6-30-04, shall be compensated at 100% of the applicable rate of pay when working in the position of Locomotive Engineer.
- Section 2 An Engineer hired on or subsequent to 7-01-04 shall be paid in accordance with Article III as contained in the 2-01-93 Agreement between the IHB and the BLE and Side Letter #6 as contained in the 5-01-97 Agreement between the IHB and BLE.
- Section 3 The Carrier may compensate all Engineers at 100% of the applicable rate(s) of pay. However, in the event the Carrier elects to implement this Section 3, Section 2 above shall be abrogated in its entirety.

Article VII – Engineer Availability

Pages 4 – 5

- Section 1 Except as otherwise provided for herein, Engineers shall be expected to perform service for the Carrier for a minimum of twenty (20) starts during the course of their twenty-two (22) start bracket if there is no overtime worked during this time period.
- Section 2 Except as otherwise provided for herein, Engineers shall be expected to perform service for the Carrier for a minimum of nineteen (19) start(s) during the course of their twenty-two (22) start bracket. However, such Engineer must work at least eight (8) hours of overtime during the course of his/her twenty-two (22) start bracket in order for the nineteen (19) starts to be sufficient.
- Section 3 Except as otherwise provided for herein, Engineers shall be expected to perform service for the Carrier for a minimum of eighteen (18) starts during the course of their twenty-two (22) start bracket. However, such Engineer must work at least sixteen (16) hours of overtime during the course of his/her twenty-two (22) start bracket in order for the eighteen (18) starts to be sufficient.

Sections 4 through 9 – days that count as starts in connection with Engineer availability:

- o Vacation days
- o Book of rules/examinations/re-examinations and/or safety classes
- o Attending an investigation/hearing
- o Attending court or inquests under instruction of the Carrier
- o Bereavement Leave as provided for in the 1978 Agreement between BLE and NCCC
- o Jury duty as provided for in the 1978 Agreement between BLE and NCCC

Section 10 Union officers and Committeemen who lay off for union business shall have that lay off time count as start(s) in connection with Engineer availability.

Section 11 Engineers on a guaranteed extra board who collect a guarantee day(s) shall have such guarantee day(s) count as start(s) in connection with Engineer availability.

Section 12 The attendance records of all Engineers who have an employment date prior to 8-01-05 with the Indiana Harbor Belt Railroad Company shall be expunged and shall not be taken into consideration in connection with Engineer availability. Note – the “intent” of Section 12 – “records shall be expunged” is that the records will not be expunged and removed from each Engineer’s personal record; however, the records prior to 8-01-05 will not be taken into consideration in connection with Engineer’s availability.

Article VIII Guaranteed Extra Board Starts – Engineers

Page 5 – 7

Section 1 An IHB Engineer who is working off the extra board shall be entitled to and guaranteed a minimum of eleven (11) tours of duty (starts) per pay period, subject to the provisions of Article VIII as set forth herein.

Section 2 In the event an Engineer places himself/herself on the extra board and does not make a minimum of eleven (11) tours of duty (starts) in that pay period, such Engineer shall be compensated one (1) day’s pay at his/her applicable rate of pay at the Engineer’s eight (8) hour basic daily rate of pay for each full calendar day (midnight to midnight) that such Engineer was available on the extra board but did not perform service for this Carrier.

- o Note 1 – A day of compensation due an Engineer at his/her applicable rate of pay at Engineer eight (8) hour basic daily rate of pay shall be referred to as an “Extra Board Start”.
- o Note 2 – The applicable Engineer eight (8) hour basic daily rate of pay in connection herewith shall be subject to future general wage and/or cost of living increases.

Section 3 Each tour of duty credited to an Engineer during a pay period shall reduce that Engineer’s eleven (11) Extra Board Starts by one (1) for that pay period.

Section 4 In the event an Engineer is removed from the extra board or is not available on the extra board during a full calendar day (midnight to midnight), that Engineer's eleven (11) Extra Board Starts shall be reduced by one (1) for that pay period except as provided for in Article VIII, Section 4, A, B, C, D and E below.

- A. Each time an Engineer is removed from the extra board at any time during a calendar day and he/she places himself back on the extra board within 24 hours thereof, he/she shall have his/her Extra Board Starts reduced by only one (1) for that pay period.
- B. In the event an Engineer is removed from the extra board for the purpose of marking up on a regular assignment(s) on that same calendar day and/or subsequently bumped, and such Engineer immediately places himself/herself back on the extra board upon notification of a bump(s), such Engineer shall not have his/her Extra Board Starts reduced by one (1) for that pay period.
- C. In the event an Engineer is removed from the extra board for the purpose of marking up on a regular assignment(s) for the following calendar day and would not have been called off the extra board to perform service for the Carrier between the time such Engineer called to assign himself/herself regular and midnight, such Engineer shall not have his/her Extra Board Starts reduced by one (1) for that pay period.
- D. In the event an Engineer is fully available on the extra board and does not remove himself/herself from the extra board for twelve (12) days in a fourteen (14) day period, thirteen (13) days in a fifteen (15) day pay period, or fourteen (14) days in a sixteen (16) day pay period, such Engineer shall have his/her Extra Board Starts reduced by only one (1) for that entire pay period.
- E. In the event an Engineer is fully available on the extra board and does not remove himself/herself from the extra board thirteen (13) days in a fourteen (14) day pay period, fourteen (14) days in a fifteen (15) day pay period, or fifteen (15) days in a sixteen (16) day period, such Engineer shall have his/her Extra Board Starts reduced by only one (1) for that entire pay period unless such Engineer removes himself/herself from the extra board on the last calendar day of the pay period.

Section 5 In the event an Engineer is set up in a regular status and cannot hold a regular assignment on any full calendar day, such Engineer may revert to the extra board at his/her seniority district for the remainder of that pay period. Such Engineer shall be entitled to the appropriate proration of his/her guaranteed Extra Board Starts.

Section 6 Each Extra Board Start an Engineer is compensated for shall count as eight (8) qualifying hours in determining eligibility for vacation and shall be considered compensated service in determining compensation due for vacation pay, in accordance with the provisions as set forth in the National Vacation Agreement..

Section 7 Each Extra Board Start an Engineer is compensated for shall count as an actual tour of duty (start) when determining an Engineer's

eligibility to qualify for holiday pay, in accordance with the provisions as set forth in the National Holiday Agreement.

- Section 8 An IHB Engineer who lays off with permission may remove himself/herself from the extra board on the day preceding a paid holiday, the actual day of a paid holiday, and/or the day following a paid holiday, and shall still be qualified for the purpose of receiving such holiday pay. Except as provided for herein, all of the other provisions as contained in the National Holiday Agreement shall apply.
- Section 9 Each Extra Board Start an Engineer is compensated for shall count as one (1) calendar day in determining an Engineer's eligibility to qualify for Health & Welfare, Dental, and Vision Care.
- Section 10 An Engineer shall be required to submit a timeslip to receive his/her compensation for Extra Board Start(s) and such compensation shall be made no later than the pay day following the pay period in which the Extra Board Start(s) is credited.
- Section 11 An Engineer who misses two (2) or more calls in any one given pay period shall forfeit his/her guarantee for that given pay period.
- Section 12 The Carrier shall have the sole authority to adjust (furlough and/or recall Engineers) the Guaranteed Extra Board(s) as provided for in Article VIII as contained herein. The Carrier shall only be permitted to adjust the Guaranteed Extra Board(s) on the last calendar day of any given pay period, to become effective on the first calendar day of the following pay period.

Note: The Carrier shall maintain a sufficient number of Extra Board Engineers to permit reasonable lay off privileges and to protect vacancies, vacations, extra assignments and other extended vacancies.

Article IX	Off Track Vehicle Accident Benefits	Page 8
Article X	Effect of this Agreement	Pages 9 - 10
Appendix I	Rates effective 7-01-02 through 7-01-05	
Side Letters 1 through 8		

- Side Letter #1 refers to the increase in wages provided for in Article I of the 8-01-05 Agreement. It is understood that the retroactive portion of that wage increase shall be applied only to employees who have an employment relationship with the Carrier on the date of this Agreement or who retired or died subsequent to 7-01-02.
- Side Letter #2 refers to Article IV, Part A, Section 3(k) of Document "A" of the Agreement of this date. This provision provides employees with an option to opt out of coverage for foreign to occupation health benefits for themselves and their dependents under the Plan and under any Hospital Association Plan in which they participate.
- Side Letter #3 refers to the opt out provision, Article IV, Part A, Section 3(k) of Document "A" of the Agreement of this date and Section 9801(f) of the Internal Revenue Code.

- Side Letter #4 states that discipline may only take the form of a reprimand, deferred suspension, actual suspension or dismissal. Furthermore, unless required to do so by Governmental Law and/or Regulation, the Carrier shall not impose a fine on an employee represented by the Brotherhood of Locomotive Engineers and Trainmen.
- Side Letter #5 states that Engineers who have established seniority as an Engineer prior to 1-01-05 shall not be subject to furlough or remain in furlough in the event Remote Control Locomotives are in operation on IHB Railroad. Furthermore, in the event Remote Control Locomotives are in operation on IHB Railroad and the Carrier is desirous of reducing "Guarantee Extra Board Payments" as provided for in Article VIII as contained in the 8-01-05 Agreement between the IHB and BLET, the Carrier may utilize Article III - Voluntary Reserve Board as contained in the 5-01-97 Agreement and it may be utilized at the discretion of the Carrier.
- Side Letter #6 states that Article II, Paragraph (a) as contained in the 6-08-73 Agreement by and between the IHB and BLE and Letter of Understanding dated 12-06-89 executed by D.B. Cooke and J.S. Perry is hereby abrogated and the following Agreement shall apply in substitution thereof. A temporary vacancy/vacancies (first day vacancy/vacancies) on an assignment(s) such as but not limited to Regular Yard Assignment(s), Yard Transfer Assignment(s), Outer Belt Transfer Assignment(s) and/or Pilot Assignment(s) which is/are created by a regular man/men marked off for any reason shall be filled on the first day by the senior Engineer/Engineers requesting that assignment(s).
- Side Letter #7 states the methods an Engineer shall receive his/her paycheck.
 1. An Engineer may have the Carrier deposit his/her paycheck by Direct Deposit to such Engineer's account with a bank, credit union, financial services organization or similar institution; or
 2. An Engineer may have the Carrier mail his/her paycheck to such Engineer's last known home address on record with the Carrier; or
 3. An Engineer may pick up his/her paycheck Monday through Friday (7:00 AM - 3:00 PM) at the Gibson General Office Payroll Department.

Side Letter becomes effective 1-01-06 and thereafter.

- Side Letter #8 states that when all "Protected Employees" and "Limited Rights Protected Employees" i.e. all IHB Yardmen that were employed on or prior to 10-01-92, have been attrited for reasons such as but not limited to death, retirement, or resignation, or disability that renders a Yardman unable to perform his/her duties as a Yardman, the "Twenty-Two (22) Start Agreement" as it currently applies to Engineers shall be abrogated in its entirety and the "Gibson Five Day Work Week" as contained in the General Labor Agreement by and between the Indiana Harbor Belt Railroad Company and the United Transportation Union shall apply. The Carrier and the Organization may implement a Five Day Work Week other than the "Gibson Five Day Work Week" however, this shall be achieved by mutual agreement between the parties signatory hereto. This Agreement shall be implemented within 180 consecutive calendar days from the date that pure attrition in connection with Yardmen is achieved.

Furthermore, the "Twenty Two Start Agreement" as it applies to Engineers as

LABOR RELIEF FILES
10/13/06

contained in the General Labor Agreement by and between the IHB and the UTU shall not be subject to negotiations therefore, the parties to this Agreement shall not serve nor progress any notice or proposal for changing any of the specific provisions as contained in the Agreements identified in this Side Letter #8 until all IHB Yardmen that were employed, on or prior to 10-01-92, have been attrited for reasons such as but not limited to death, retirement, resignation or disability that renders a Yardman unable to perform his/her duties as a Yardman. However, the parties may negotiate changes to the aforementioned subject matter(s) by mutual agreement.



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

August 19, 2005

Mr. Robert F. Allen
Chairman
National Railway Labor Conference
1901 L Street, N.W.
Washington, D.C. 20036

Re: IHB/BLE Agreement signed July 8, 2005, effective August 1, 2005, between the Indiana Harbor Belt Railroad Company (IHB) and its Engineers represented by the Brotherhood of Locomotive Engineers and Trainmen (Engineers).

Dear Mr. Allen:

I have enclosed a copy of the above-referenced agreement for your files and request that you notify the insurers that the IHB Locomotive Engineers represented by the Brotherhood of Locomotive Engineers and Trainmen (Engineers) shall continue to be covered by the National Health & Welfare Plan and Early Retirement Major Medical Plan.

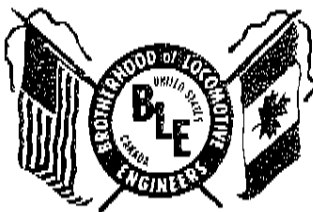
If you have any questions, please call me at 219/989-4923.

Very truly yours,

MARY KAY CONLEY
Director Labor Relations & Human Resources

Enclosure - Agreement signed 7-08-05

cc: S. Parks, Benefits Administrator, NRLC
J. Epstein, Director Employee Benefits, NRLC
J. Hennecke, Director of Labor Relations, NRLC
R. Pasquarella, General Chairman, BLE
D. Byrom, Local Chairman, BLE
G. Gibson, General Manager, IHB
D. Nelson, General Superintendent, IHB
D. Smith, Comptroller, IHB
S. Denby, Treasurer, IHB
T. Rosowicz, Manager Collections & Payroll, IHB



General Committee of Adjustment

Brotherhood of Locomotive Engineers

Indiana Harbor Belt

1152 North Cedar Rd., New Lenox, IL 60451



R. R. PASQUARELLA, Chairman

Telephone: 815-485-8408

Fax: 815-485-8408

July 29, 2005

Mr. D. H. Nelson
Indiana Harbor Belt Railroad Company
2721 161st Street
Hammond, Indiana 46323-1099

**I H B
RECEIVED**

JUL 29 2005

**LABOR RELATIONS
& HUMAN RESOURCES**

Dear Mr. Nelson:

In accordance with our understanding dated July 8, 2005, this is to inform you that the BLE&T Membership have ratified the Agreement executed on July 29, 2005, at Hammond, Indiana, known as the August 1, 2005 Agreement between the Indiana Harbor Belt Railroad Company and its employees represented by the Brotherhood of Locomotive Engineers and Trainmen. Therefore, this Agreement shall become effective August 1, 2005.

Thanking you in advance, along with M.K. Conley, for all your effort.

Sincerely,

R.R. Pasquarella
General Chairman BLE&T

CC: D. Hahs - National President BLE&T
W. Walpert - General Secretary / Treasurer BLE&T
R.K. Radek - National Vice President BLE&T
R.K. Lauermann - Secretary/Treasurer BLE&T
D.R. Byrom - Local Chairman BLE&T
M.K. Conley - Director Labor Relations & Human Resources



INDIANA HARBOR BELT RAILROAD COMPANY

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

July 8, 2005

Mr. R.R. Pasquarella
General Chairman, BLE&T
2707 Great Meadow Dr.
Joliet, IL 60432

Dear Mr Pasquarella:

This will confirm our understanding reached in our conference of July 8, 2005, at Hammond, Indiana, wherein it is mutually agreed and understood that the Labor Agreement (Engineers) of August 1, 2005, APPENDIX 1, Side Letters #1 through and including #8 shall be null and void and of no application if this Agreement is not ratified by BLE&T Membership.

The BLE&T General Chairman shall notify the Carrier on or prior to July 30, 2005 as to the outcome of the Membership Ratification.

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

Sincerely,

D.H. NELSON
General Superintendent

AGREED

R.R. Pasquarella, General Chairman BLE&T

AUGUST 1, 2005

Agreement between the

INDIANA HARBOR BELT RAILROAD COMPANY

And its Employees

Represented by the

BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND TRAINMEN
(Engineers)

IT IS HEREBY AGREED:

ARTICLE I - WAGES

Section 1 - First General Wage Increase

Effective July 1, 2002, all standard basic daily rates of pay for employees represented by the Brotherhood of Locomotive Engineers and Trainmen in effect on June 30, 2002 shall be increased by four (4) percent.

Section 2 - Second General Wage Increase

Effective July 1, 2003, all standard basic daily rates of pay for employees represented by the Brotherhood of Locomotive Engineers and Trainmen in effect on June 30, 2003 shall be increased by two-and-one-half (2.5) percent.

Section 3 - Third General Wage Increase

Effective December 1, 2004, all standard basic daily rates of pay for employees represented by the Brotherhood of Locomotive Engineers and Trainmen in effect on November 30, 2004 shall be increased by three (3) percent.

Section 4 - Standard Rates

The standard basic daily rates of pay produced by application of the increases provided for in this Article are set forth in Appendix 1, which is attached hereto.

Section 5 - Application Of Wage Increases

- (a) In determining new hourly rates, fractions of a cent will be disposed of by applying the next higher quarter of a cent.
- (b) Existing money differentials above existing standard daily rates shall be maintained.

ARTICLE II - Provisions For Retroactive Back Pay

Engineers shall receive retroactive back pay commencing on July 1, 2002 through and including July 31, 2005 due in accordance with the provisions as set forth in ARTICLE I and in ARTICLE III as contained herein. Retroactive back pay shall be paid by separate check no later than forty-five (45) days subsequent to the effective date of this Agreement.

ARTICLE III - Cost-Of-Living Payments

ARTICLE III - COST-OF-LIVING PAYMENTS as contained in the Agreement of December 16, 2003 Between Railroads Represented by the National Carriers' Conference Committee and Employees of such Railroads Represented by the Brotherhood of Locomotive Engineers and Trainmen shall be incorporated into and made a part of this Agreement to the same extent as if included herein and shall apply to this Agreement accordingly.

ARTICLE IV - Health And Welfare

Agreement of December 16, 2003 Between Railroads Represented by the National Carriers' Conference Committee and Employees of such Railroads Represented by the Brotherhood of Locomotive Engineers and Trainmen shall be incorporated into and made a part of this Agreement to the same extent as if included herein and shall apply to this Agreement accordingly except as provided for in Section 3 and in Section 4 below.

Section 1

Effective August 1, 2005, the per month employee cost-sharing contribution amount to the Plan shall be \$101.79 and subsequently shall be adjusted in accordance with the terms and conditions as set forth in the December 16, 2003 National Agreement.

Section 2

On August 25, 2005 and on or about the 25th calendar day of each subsequent calendar month and thereafter, the Carrier shall deduct from payroll the per month employee cost sharing amount to the Plan.

Section 3

Employee cost-sharing contribution amounts as set forth in Part B Section 1 as contained in the December 16, 2003 Agreement due prior to August 1, 2005 are hereby waived and therefore shall not be paid by IHB Engineers.

Section 4

Section 5- Short Term Disability, as contained in ARTICLE IV- HEALTH AND WELFARE, Part A, shall not apply to Engineers employed by IHB.

Article V - Union Pacific Interchange

Section 5 - Union Pacific Interchange - CP Hill (Auto Trains) as contained in PART THREE of the May 1, 1997 Agreement between Indiana Harbor Belt Railroad Company and its Employees represented by Brotherhood of Locomotive Engineers is hereby abrogated and the following shall apply in substitution thereof.

Section 1

UP (westbound) outbound road crew(s) may pick up road train(s) between Superior located at La Grange, Illinois and C P Hill located at Bellwood, Illinois, on Indiana Harbor Belt Railroad Company. These road train(s) must depart from the aforementioned location(s) to points beyond UP Proviso Yard and such traffic shall be handled in accordance with the provisions as set forth herein.

- A. UP road crew(s) shall only handle cars that are a part of their outbound road train(s).
- B. Except as provided for herein, UP road crew(s) shall not pick up cars while on IHB property.
- C. UP road crew(s) shall not set out or switch cars while on IHB property. However UP road crews may set out bad order car(s), high-wide car(s) without clearance, and/or improperly placed hazardous material car(s).
- D. UP road crew(s) may attach their locomotives, end of train devices, and/or cabooses to UP road trains between Superior and CP Hill.
- E. IHB crews may interchange road trains to UP Proviso Yard at the Carrier's prerogative.
- F. Except as specifically modified herein, all Agreements between IHB and BLE as well as applicable National Agreements, shall remain in full force and effect.

Section 2

- A. In the event an IHB Outer Belt Transfer Assignment destined to Union Pacific is relieved from any train, road train or otherwise, between Superior and CP Hill, such Engineer on such Outer Belt Transfer Assignment(s) shall be paid not less than eight hours of straight time pay, and four hours of overtime pay (a total of twelve hours pay), at the applicable rates of pay for that assignment.
- B. ARTICLE IX- LUNCH PERIOD as contained in the May 1, 1997 Agreement between Indiana Harbor Belt Railroad Company and its Employees Represented by Brotherhood of Locomotive Engineers shall apply and thirty (30) minutes shall be paid at the overtime rate, if applicable, in addition to the not less than twelve (12) hours as provided for in ARTICLE V, Section 2A. as contained herein.

ARTICLE VI - Service Scale

Section 1

Effective August 1, 2005 and thereafter, an Engineer who has established seniority on or prior to June 30, 2004 shall be compensated at 100% of the applicable rate of pay when working in the position of Locomotive Engineer.

Section 2

An Engineer hired on or subsequent to July 1, 2004 shall be paid in accordance with Article III as contained in the February 1, 1993 Agreement between the Indiana Harbor Belt Railroad and the Brotherhood of Locomotive Engineers and Side Letter #6 as contained in the May 1, 1997 agreement between the IHB and BLE.

Section 3

The Carrier may compensate all Engineers at 100% of the applicable rate(s) of pay. However, in the event the Carrier elects to implement this Section 3, Section 2 above shall be abrogated in its entirety.

ARTICLE VII - Engineer Availability

Section 1

Except as otherwise provided for herein, Engineers shall be expected to perform service for the Carrier for a minimum of twenty (20) starts during the course of their twenty-two (22) start bracket if there is no overtime worked during this time period.

Section 2

Except as otherwise provided for herein, Engineers shall be expected to perform service for the Carrier for a minimum of nineteen (19) start(s) during the course of their twenty-two (22) start bracket. However, such Engineer must work at least eight (8) hours of overtime during the course of his/her twenty-two (22) start bracket in order for the nineteen (19) starts to be sufficient.

Section 3

Except as otherwise provided for herein, Engineers shall be expected to perform service for the Carrier for a minimum of eighteen (18) starts during the course of their twenty-two (22) start bracket. However, such Engineer must work at least sixteen (16) hours of overtime during the course of his/her twenty-two (22) start bracket in order for the eighteen (18) starts to be sufficient.

Section 4

Vacation day(s) shall count as start(s) in connection with Engineer availability.

Section 5

Book of rules/examinations/re-examinations and/or safety classes shall count as start(s) in connection with Engineer availability.

Section 6

Attending an investigation/hearing shall count as start(s) in connection with Engineer availability.

Section 7

Attending court or inquests under instruction of the Carrier shall count as start(s) in connection with Engineer availability.

Section 8

Bereavement Leave as provided for in the 1978 Agreement between BLE and NCCC shall count as start(s) in connection with Engineer availability.

Section 9

Jury Duty as provided for in the 1978 Agreement between BLE and NCCC shall count as start(s) in connection with Engineer availability.

Section 10

Union officers and Committeemen who lay-off for Union business shall have that lay-off time count as start(s) in connection with Engineer availability.

Section 11

Engineers on a guaranteed extra board who collect a guarantee day(s) shall have such guarantee day(s) count as start(s) in connection with Engineer availability.

Section 12

The attendance records of all Engineers who have an employment date prior to August 1, 2005 with Indiana Harbor Belt Railroad Company shall be expunged and shall not be taken into consideration in connection with Engineer availability.

ARTICLE VIII - Guaranteed Extra Board Starts - Engineers

Section 1

An IHB Engineer, who is working off the extra board, shall be entitled to and guaranteed a minimum of eleven (11) tours of duty (starts) per pay period, subject to the provisions of ARTICLE VIII as set forth herein.

Section 2

In the event an Engineer places himself/herself on the extra board and does not make a minimum of eleven (11) tours of duty (starts) in that pay period, such Engineer shall be compensated one (1) day's pay at his/her applicable rate of pay at the Engineer's eight (8) hour basic daily rate of pay for each full calendar day (midnight to midnight) that such Engineer was available on the extra board but did not perform service for this Carrier.

NOTE 1: A day of compensation due an Engineer at his/her applicable rate of pay at the Engineer eight (8) hour basic daily rate of pay shall be referred to as an "Extra Board Start".

NOTE 2: The applicable Engineer eight (8) hour basic daily rate of pay in connection herewith shall be subject to future general wage and/or cost of living increases.

Section 3

Each tour of duty credited to an Engineer during a pay period shall reduce that Engineer's eleven (11) Extra Board Starts by one (1) for that pay period.

Section 4

In the event an Engineer is removed from the extra board or is not available on the extra board during a full calendar day (midnight to midnight), that Engineer's eleven (11) Extra Board Starts shall be reduced by one (1) for that pay period except as provided for in ARTICLE VIII, Section 4, A, B, C, D and E below.

- A. Each time an Engineer is removed from the extra board at any time during a calendar day and he/she places himself/herself back on the extra board within 24 hours thereof, he/she shall have his/her Extra Board Starts reduced by only one (1) for that pay period.
- B. In the event an Engineer is removed from the extra board for the purpose of marking up on a regular assignment(s) on that same calendar day and is subsequently bumped, and such Engineer immediately places himself/herself back on the extra board upon notification of a bump(s), such Engineer shall not have his/her Extra Board Starts reduced by one (1) for that pay period.
- C. In the event an Engineer is removed from the extra board for the purpose of marking up on a regular assignment(s) for the following calendar day and would not have been called off the extra board to perform service for the Carrier between the time such Engineer called to assign himself regular and midnight, such Engineer shall not have his/her Extra Board Starts reduced by one (1) for that pay period.
- D. In the event an Engineer is fully available on the extra board and does not remove himself/herself from the extra board for twelve (12) days in a fourteen (14) day pay period, thirteen (13) days in a fifteen (15) day pay period, or fourteen (14) days in a sixteen (16) day pay period, such Engineer shall have his/her Extra Board Starts reduced by only one (1) for that entire pay period.
- E. In the event an Engineer is fully available on the extra board and does not remove himself/herself from the extra board for thirteen (13) days in a fourteen (14) day pay period, fourteen (14) days in a fifteen (15) day pay period, or fifteen (15) days in a sixteen (16) day pay period, such Engineer shall not have his/her Extra Board Starts reduced by one (1) for that pay period unless such Engineer removes himself/herself from the extra board on the last calendar day of the pay period.

Section 5

In the event an Engineer is set up in a regular status and cannot hold a regular assignment on any full calendar day, such Engineer may revert to the extra board at his/her seniority district for the remainder of that pay period. Such Engineer shall be entitled to the appropriate proration of his/her guaranteed Extra Board Starts.

Section 6

Each Extra Board Start an Engineer is compensated for shall count as eight (8) qualifying hours in determining eligibility for vacation and shall be considered compensated service in determining compensation due for vacation pay, in accordance with the provisions as set forth in the National Vacation Agreement.

Section 7

Each Extra Board Start an Engineer is compensated for shall count as an actual tour of duty (start) when determining an Engineer's eligibility to qualify for holiday pay, in accordance with the provisions as set forth in the National Holiday Agreement.

Section 8

An IHB Engineer who lays off with permission may remove himself/herself from the extra board on the day preceding a paid holiday, the actual day of a paid holiday, and/or the day following a paid holiday, and shall still be qualified for the purpose of receiving such holiday pay. Except as provided for herein, all of the other provisions as contained in the National Holiday Agreement shall apply.

Section 9

Each Extra Board Start an Engineer is compensated for shall count as one (1) calendar day in determining a Engineer's eligibility to qualify for Health and Welfare, Dental, and Vision Care.

Section 10

An Engineer shall be required to submit a timeslip to receive his/her compensation for Extra Board Start(s) and such compensation shall be made no later than the pay day following the pay period in which the Extra Board Start(s) is credited.

Section 11

An Engineer who misses two (2) or more calls in any one given pay period shall forfeit his/her guarantee for that given pay period.

Section 12

The Carrier shall have the sole authority to adjust (furlough and/or recall Engineers) the Guaranteed Extra Board(s) as provided for in ARTICLE VIII as contained herein. The Carrier shall only be permitted to adjust the Guaranteed Extra Board(s) on the last calendar day of any given pay period, to become effective on the first calendar day of the following pay period.

NOTE: The Carrier shall maintain a sufficient number of Extra Board Engineers to permit reasonable lay-off privileges and to protect vacancies, vacations, extra assignments and other extended vacancies.

ARTICLE IX - Off-Track Vehicle Accident Benefits

Article IV (b) of the March 10, 1969 BLE Agreement, as amended by Article X of the July 26, 1978 BLE Agreement, is further amended as follows effective on the date of this Agreement.

Section 1

Paragraph (b)(1) - Accidental Death or Dismemberment of the above-referenced Agreement provisions is amended to read as follows:

"(1) Accidental Death or Dismemberment

The Carrier will provide for loss of life or dismemberment occurring within 120 days after the date of an accident covered in paragraph (a):

Loss of Life	\$300,000
Loss of Both Hands	\$300,000
Loss of Both Feet	\$300,000
Loss of Sight of Both Eyes	\$300,000
Loss of One Hand and One Foot	\$300,000
Loss of One Hand and Sight of One Eye	\$300,000
Loss of One Foot and Sight of One Eye	\$300,000
Loss of One Hand or One Foot or Sight	\$150,000

"Loss" shall mean, with regard to hands and feet, dismemberment by severance through or above wrist or ankle joints; with regard to eyes, entire and irrecoverable loss of sight.

No more than \$300,000 will be paid under this paragraph to any one employee or his personal representative as a result of any one accident."

Section 2

Paragraph (b)(3) - Time Loss of the above-referenced Agreement provisions is amended to read as follows:

"(3) Time Loss

The Carrier will provide an employee who is injured as a result of an accident covered under paragraph (a) commencing within 30 days after such accident 80% of the employee's basic full-time weekly compensation from the Carrier for time actually lost, subject to a maximum payment of \$1,000.00 per week for time lost during a period of 156 continuous weeks following such accident provided, however, that such weekly payment shall be reduced by such amounts as the employee is entitled to receive as sickness benefits under provisions of the Railroad Unemployment Insurance Act."

Section 3

Paragraph (b)(4)- Aggregate Limit of the above-referenced Agreement provision is amended by raising such limit to \$10,000,000.

ARTICLE X - Effect Of This Agreement

Section 1

This Agreement is made in full and final disposition of all outstanding notices served upon Indiana Harbor Belt Railroad Company on or about November 1, 1999, by Brotherhood of Locomotive Engineers and Trainmen and also all outstanding notices served upon Brotherhood of Locomotive Engineers and Trainmen by Indiana Harbor Railroad Company, for concurrent handling, pursuant to the provisions of the Railway Labor Act, as amended.

Section 2

The parties to this Agreement shall not serve nor progress prior to November 1, 2004 (not to become effective before January 1, 2005), any notice or proposal for the purpose of changing provisions of this Agreement and any proposals in pending notices, if any, relating to such subject matters are hereby withdrawn. No party to this Agreement shall serve or progress, prior to November 1, 2004 (not to become effective before January 1, 2005), any notice or proposal which might properly have been served when the last moratorium ended on November 1, 1999, and any proposals in pending notices, if any, relating to such subject matters are hereby withdrawn.

Section 3

New proposals properly served under the Railway Labor Act covering subject matters which do not request compensation may be progressed under the provisions of the Railway Labor Act, as amended.

Section 4

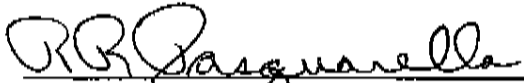
This Article will not bar Management and the Organization from agreeing upon any subject of mutual interest except any subject excluded by Moratorium.

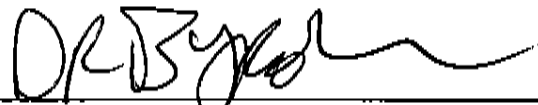
Section 5

This Agreement, Appendix 1, and Side Letters #1 through and including #8 shall become effective August 1, 2005, and shall remain in effect through August 1, 2005 and thereafter, until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

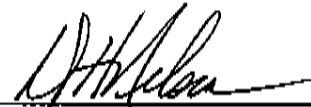
SIGNED AT HAMMOND, INDIANA, THIS 8th DAY OF July, 2005.

FOR THE BROTHERHOOD OF LOCOMOTIVE
ENGINEERS AND TRAINMEN:


R.R. Pasquarella, General Chairman

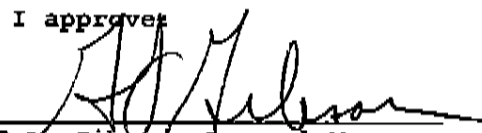

D.R. Byrom, Local Chairman

FOR THE INDIANA HARBOR BELT
RAILROAD COMPANY:


D.H. Nelson, General Superintendent


M.K. Conley, Director Labor Relations

I approve:


G.L. Gibson, General Manager

BLE rates

161 - Engineer effective 7/1/2002

	Daily Rate			Hourly Rate			Overtime Rate	
	\$178.21			\$22.2763			\$33.4144	
Minutes	Hours 8	Hours 9	Hours 10	Hours 11	Hours 12	Hours 13	Hours 14	Hours 15
0	\$178.21	\$211.62	\$245.04	\$278.45	\$311.87	\$345.28	\$378.70	\$412.11
5	\$180.99	\$214.41	\$247.82	\$281.24	\$314.65	\$348.07	\$381.48	\$414.90
10	\$183.78	\$217.19	\$250.61	\$284.02	\$317.44	\$350.85	\$384.27	\$417.68
15	\$186.56	\$219.98	\$253.39	\$286.81	\$320.22	\$353.64	\$387.05	\$420.46
20	\$189.35	\$222.76	\$256.18	\$289.59	\$323.01	\$356.42	\$389.83	\$423.25
25	\$192.13	\$225.55	\$258.96	\$292.38	\$325.79	\$359.20	\$392.62	\$426.03
30	\$194.92	\$228.33	\$261.75	\$295.16	\$328.57	\$361.99	\$395.40	\$428.82
35	\$197.70	\$231.12	\$264.53	\$297.94	\$331.36	\$364.77	\$398.19	\$431.60
40	\$200.49	\$233.90	\$267.32	\$300.73	\$334.14	\$367.56	\$400.97	\$434.39
45	\$203.27	\$236.69	\$270.10	\$303.51	\$336.93	\$370.34	\$403.76	\$437.17
50	\$206.06	\$239.47	\$272.88	\$306.30	\$339.71	\$373.13	\$406.54	\$439.96
55	\$208.84	\$242.25	\$275.67	\$309.08	\$342.50	\$375.91	\$409.33	\$442.74

161 - Engineer effective 7/1/2003

	Daily Rate			Hourly Rate			Overtime Rate	
	\$182.67			\$22.8338			\$34.2506	
	Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours
Minutes	8	9	10	11	12	13	14	15
0	\$182.67	\$216.92	\$251.17	\$285.42	\$319.67	\$353.92	\$388.17	\$422.42
5	\$185.52	\$219.77	\$254.03	\$288.28	\$322.53	\$356.78	\$391.03	\$425.28
10	\$188.38	\$222.63	\$256.88	\$291.13	\$325.38	\$359.63	\$393.88	\$428.13
15	\$191.23	\$225.48	\$259.73	\$293.98	\$328.24	\$362.49	\$396.74	\$430.99
20	\$194.09	\$228.34	\$262.59	\$296.84	\$331.09	\$365.34	\$399.59	\$433.84
25	\$196.94	\$231.19	\$265.44	\$299.69	\$333.94	\$368.19	\$402.44	\$436.70
30	\$199.80	\$234.05	\$268.30	\$302.55	\$336.80	\$371.05	\$405.30	\$439.55
35	\$202.65	\$236.90	\$271.15	\$305.40	\$339.65	\$373.90	\$408.15	\$442.40
40	\$205.50	\$239.75	\$274.01	\$308.26	\$342.51	\$376.76	\$411.01	\$445.26
45	\$208.36	\$242.61	\$276.86	\$311.11	\$345.36	\$379.61	\$413.86	\$448.11
50	\$211.21	\$245.46	\$279.71	\$313.96	\$348.21	\$382.47	\$416.72	\$450.97
55	\$214.07	\$248.32	\$282.57	\$316.82	\$351.07	\$385.32	\$419.57	\$453.82

161 - Engineer effective 12/1/2004

	Daily Rate \$188.15			Hourly Rate \$23.5188			Overtime Rate \$35.2781	
Minutes	Hours 8	Hours 9	Hours 10	Hours 11	Hours 12	Hours 13	Hours 14	Hours 15
0	\$188.15	\$223.43	\$258.71	\$293.98	\$329.26	\$364.54	\$399.82	\$435.10
5	\$191.09	\$226.37	\$261.65	\$296.92	\$332.20	\$367.48	\$402.76	\$438.04
10	\$194.03	\$229.31	\$264.59	\$299.86	\$335.14	\$370.42	\$405.70	\$440.98
15	\$196.97	\$232.25	\$267.53	\$302.80	\$338.08	\$373.36	\$408.64	\$443.92
20	\$199.91	\$235.19	\$270.47	\$305.74	\$341.02	\$376.30	\$411.58	\$446.86
25	\$202.85	\$238.13	\$273.41	\$308.68	\$343.96	\$379.24	\$414.52	\$449.80
30	\$205.79	\$241.07	\$276.35	\$311.62	\$346.90	\$382.18	\$417.46	\$452.74
35	\$208.73	\$244.01	\$279.29	\$314.56	\$349.84	\$385.12	\$420.40	\$455.68
40	\$211.67	\$246.95	\$282.23	\$317.50	\$352.78	\$388.06	\$423.34	\$458.62
45	\$214.61	\$249.89	\$285.16	\$320.44	\$355.72	\$391.00	\$426.28	\$461.56
50	\$217.55	\$252.83	\$288.10	\$323.38	\$358.66	\$393.94	\$429.22	\$464.50
55	\$220.49	\$255.77	\$291.04	\$326.32	\$361.60	\$396.88	\$432.16	\$467.44

161 - Engineer effective 7/1/2005

	Daily Rate \$189.35			Hourly Rate \$23.6688			Overtime Rate \$35.5031	
Minutes	Hours 8	Hours 9	Hours 10	Hours 11	Hours 12	Hours 13	Hours 14	Hours 15
0	\$189.35	\$224.85	\$260.36	\$295.86	\$331.36	\$366.87	\$402.37	\$437.87
5	\$192.31	\$227.81	\$263.31	\$298.82	\$334.32	\$369.82	\$405.33	\$440.83
10	\$195.27	\$230.77	\$266.27	\$301.78	\$337.28	\$372.78	\$408.29	\$443.79
15	\$198.23	\$233.73	\$269.23	\$304.74	\$340.24	\$375.74	\$411.24	\$446.75
20	\$201.18	\$236.69	\$272.19	\$307.69	\$343.20	\$378.70	\$414.20	\$449.71
25	\$204.14	\$239.65	\$275.15	\$310.65	\$346.16	\$381.66	\$417.16	\$452.66
30	\$207.10	\$242.60	\$278.11	\$313.61	\$349.11	\$384.62	\$420.12	\$455.62
35	\$210.06	\$245.56	\$281.07	\$316.57	\$352.07	\$387.58	\$423.08	\$458.58
40	\$213.02	\$248.52	\$284.03	\$319.53	\$355.03	\$390.53	\$426.04	\$461.54
45	\$215.98	\$251.48	\$286.98	\$322.49	\$357.99	\$393.49	\$429.00	\$464.50
50	\$218.94	\$254.44	\$289.94	\$325.45	\$360.95	\$396.45	\$431.95	\$467.46
55	\$221.89	\$257.40	\$292.90	\$328.40	\$363.91	\$399.41	\$434.91	\$470.42



INDIANA HARBOR BELT RAILROAD COMPANY

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

July 8, 2005

Side Letter #1

Mr. R.R. Pasquarella
General Chairman, BLE&T
2707 Great Meadow Dr.
Joliet, IL 60432

Dear Mr Pasquarella:

This refers to the increase in wages provided for in ARTICLE I of the August 1, 2005 Agreement.

It is understood that the retroactive portion of that wage increase shall be applied only to employees who have an employment relationship with the Carrier on the date of this Agreement or who retired or died subsequent to July 1, 2002.

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

Very truly yours,

D.H. Nelson
General Superintendent

I agree:

R.R. Pasquarella, General Chairman, BLE&T



INDIANA HARBOR BELT RAILROAD COMPANY

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

July 8, 2005

Side Letter #2

Mr. R.R. Pasquarella
General Chairman, BLE&T
2707 Great Meadow Dr.
Joliet, IL 60432

Dear Mr Pasquerella:

This confirms our understanding with respect to Article IV, Part A, Section 3(k) of Document "A" of the Agreement of this date (Agreement).

That provision provides employees with an option to opt out of coverage for foreign-to-occupation health benefits for themselves and their dependents under the Plan and under any Hospital Association plan in which they participate. This will confirm our understanding with respect to the intended application of that provision.

1. An employee who opts out will be opting out of FO health coverage only and (if he otherwise satisfies eligibility and coverage requirements) will continue to have on-duty injury coverage, coverage under the Dental and Vision Plans, and life and AD&D insurance coverage.
2. If a husband and wife are each covered by the Plan (or a Hospital Association) by virtue of railroad employment and either or both hold positions covered by this Agreement, a BLE&T-represented spouse may elect to opt out as provided in Section 3(k). If that election is made (and provided the other spouse remains so covered), (i) such BLE&T-represented spouse shall not receive the \$100/month payment provided in Section 3 (k) and shall not be required to make the employee cost-sharing contributions required under Article IV, Part B, and (ii) the Plan's coordination of benefits rules in effect on the date of this Agreement that are applied when a husband and wife are covered under the Plan both as an Eligible Employee and as an Eligible Dependent shall continue to be applicable

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

Very truly yours,

D.H. Nelson
General Superintendent

I agree:

R.R. Pasquarella, General Chairman, BLE&T



INDIANA HARBOR BELT RAILROAD COMPANY

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

July 8, 2005

Side Letter #3

Mr. R.R. Pasquarella
General Chairman, BLE&T
2707 Great Meadow Dr.
Joliet, IL 60432

Dear Mr Pasquarella:

This confirms our understanding with respect to the opt-out provision, Article IV, Part A, Section 3(k) of Document "A" of the Agreement of this date (Agreement).

It is understood that for purposes of Section 9801(f) of the Internal Revenue Code, (i) any opt-out election shall be treated as a declination of coverage, or a failure to enroll, for foreign-to-occupation health benefits under the Plan and under any Hospital Association plan in which the employee making the election may participate, (ii) that the provisions of Section 9801(f) and the regulations thereunder shall govern how any individual covered by an election to opt-out may nonetheless become covered for foreign-to-occupation health benefits under the Plan or any Hospital Association plan prior to the next regular opt-out election period, (iii) that the terms of Article IV, Part A, Section 3(k) of our Agreement shall be interpreted and applied so as to be in compliance with Section 9801(f), and (iv) that the employer's payment of \$100 per month to an employee who has elected to opt-out shall cease immediately upon the employee and/or his dependents or any one of his dependents becoming covered, pursuant to Section 9801(f), for foreign-to-occupation health benefits under the Plan or any Hospital Association plan.

Furthermore, and notwithstanding the above, the parties recognize that an employee may lose coverage under the health plan or health insurance policy that he or she relied upon in electing to forego coverage for foreign-to-occupation health benefits under the Plan, and that such loss of coverage may be attributable to an event that is not listed in Section 9801(f) of the Internal Revenue Code and is beyond the control of the employee or of any member of his or her family. In such a case, and only to the extent permissible under Section 125 of the Internal Revenue Code: (a) the employee may ask his/her employer that his or her opt-out election be revoked; (b) the employer involved may in its discretion grant the request in the interest of fairness and equity; and (c) if the request is granted, the employee's opt-out election shall be treated as revoked as of the day the employer received the request.

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

Very truly yours,



D.H. Nelson
General Superintendent

I agree.



R.R. Pasquarella, General Chairman, BLE&T



INDIANA HARBOR BELT RAILROAD COMPANY

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

July 8, 2005

Side Letter #4

Mr. R.R. Pasquarella
General Chairman, BLE&T
2707 Great Meadow Dr.
Joliet, IL 60432

Dear Mr Pasquarella:

This will confirm our understanding reached during our negotiations of the August 1, 2005 Agreement that Discipline may only take the form of a reprimand, deferred suspension, actual suspension or dismissal. Furthermore, unless required to do so by Governmental Law and/or Regulation, the Carrier shall not impose a fine on an employee represented by the Brotherhood of Locomotive Engineers and Trainmen.

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

Very truly yours,

D.H. Nelson
General Superintendent

I agree:

R.R. Pasquarella, General Chairman, BLE&T



INDIANA HARBOR BELT RAILROAD COMPANY

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

July 8, 2005

Side Letter #5

Mr. R.R. Pasquarella
General Chairman, BLE&T
2707 Great Meadow Dr.
Joliet, IL 60432

Dear Mr Pasquarella:

This will confirm our understanding reached during our negotiations of the August 1, 2005 Agreement that Engineers who have established seniority as an Engineer prior to January 1, 2005, shall not be subject to furlough or remain in furlough in the event Remote Control Locomotives are in operation on IHB Railroad.

Furthermore, in the event Remote Control Locomotives are in operation on IHB Railroad and the Carrier is desirous of reducing "Guarantee Extra Board Payments", as provided for in ARTICLE VIII as contained in the August 1, 2005 Agreement between IHB and BLE&T, the Carrier may utilize ARTICLE III-VOLUNTARY RESERVE BOARD as contained in the May 1, 1997 Agreement and it may be utilized at the discretion of the Carrier.

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

Very truly yours,

D.H. Nelson
General Superintendent

I agree:

R.R. Pasquarella, General Chairman, BLE&T



INDIANA HARBOR BELT RAILROAD COMPANY

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

July 8, 2005

Side Letter #6

Mr. R.R. Pasquarella
General Chairman, BLE&T
2707 Great Meadow Dr.
Joliet, IL 60432

Dear Mr Pasquarella:

This will confirm our understanding reached during our negotiations of the August 1, 2005 Agreement that Article II, Paragraph (a) as contained in the June 8, 1973 Agreement by and between the Indiana Harbor Belt Railroad Company and the Brotherhood of Locomotive Engineers and Letter of Understanding dated December 6, 1989 executed by D.B. Cooke and J.S. Perry is hereby abrogated and the following Agreement shall apply in substitution thereof.

A temporary vacancy/vacancies (first day vacancy/vacancies) on an assignment(s) such as but not limited to Regular Yard Assignment(s), Yard Transfer Assignment(s), Outer Belt Transfer Assignment(s) and/or Pilot Assignment(s) which is/are created by a regular man/men marked off for any reason shall be filled on the first day by the senior Engineer/Engineers requesting that assignment(s).

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

Very truly yours,

D.H. Nelson
General Superintendent

I agree:

R.R. Pasquarella, General Chairman, BLE&T



INDIANA HARBOR BELT RAILROAD COMPANY

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

July 8, 2005

Side Letter #7

Mr. R.R. Pasquarella
General Chairman, BLE&T
2707 Great Meadow Dr.
Joliet, IL 60432

Dear Mr Pasquarella:

This will confirm our understanding reached during our negotiations of the August 1, 2005 Agreement that an Engineer shall receive his/her paycheck by one of the methods listed below:

1. An Engineer may have the Carrier deposit his/her paycheck by Direct Deposit to such Engineer's account with a bank, credit union, financial services organization or similar institution; or
2. An Engineer may have the Carrier mail his/her paycheck to such Engineer's last known home address on record with the Carrier; or
3. An Engineer may pick up his/her paycheck Monday through Friday (7:00 AM-3:00 PM) at the Gibson General Office Payroll Department.

This Side Letter #7 shall become effective on January 1, 2006 and thereafter, however, an Engineer must notify the Carrier on or prior to December 1, 2005 as to what method such Engineer is desirous of receiving his/her paycheck. In the event an Engineer does not notify the Carrier on or prior to December 1, 2005 as to what method such Engineer is desirous of receiving his/her paycheck the Carrier shall mail his/her paycheck to such Engineer's last known home address on record with the Carrier. In the event an Engineer is desirous of changing the method such Engineer receives his/her paycheck such Engineer shall notify the Carrier thirty (30) days in advance and choose an alternative method as provided for herein.

The Carrier shall contact all Engineers by direct mail, no later than October 1, 2005, providing them with a form letter that allows such Engineer to select a method of how they would like to receive their paychecks. Engineers shall be advised of a fax number that must be utilized in order to notify the Carrier as to what method a Engineer is desirous of receiving his/her paychecks. On or prior to December 15, 2005, all Engineers shall be notified by the Carrier, by direct mail, of the method that was chosen by such Engineer to receive his/her paycheck.

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

Very truly yours,



D.H. Nelson
General Superintendent

I agree:



R.R. Pasquarella, General Chairman, BLE&T



INDIANA HARBOR BELT RAILROAD COMPANY

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

July 8, 2005

Side Letter #8

Mr. R.R. Pasquarella
General Chairman, BLE&T
2707 Great Meadow Dr.
Joliet, IL 60432

Dear Mr Pasquarella:

This will confirm our understanding reached during our negotiations of the August 1, 2005 Agreement that when all "Protected Employees" and "Limited Rights Protected Employees" i.e., all IHB Yardmen that were employed on or prior to October 1, 1992, have been attrited for reasons such as but not limited to death, retirement, or resignation, or disability that renders a Yardman unable to perform his/her duties as a Yardman, the "Twenty-Two (22) Start Agreement" as it currently applies to Engineers shall be abrogated in its entirety and the "Gibson Five Day Work Week" as contained in the GENERAL LABOR AGREEMENT by and between the INDIANA HARBOR BELT RAILROAD COMPANY and the UNITED TRANSPORTATION UNION shall apply. The Carrier and the Organization may implement a Five Day Work Week other than the "Gibson Five Day Work Week", however, this shall be achieved by mutual agreement between the Parties signatory hereto. This Agreement shall be implemented within one hundred and eighty (180) consecutive calendar days from the date that pure attrition in connection with Yardmen is achieved.

Furthermore; this will confirm our understanding reached during our negotiations of the August 1, 2005 Agreement that the Twenty-Two Start Agreement as it applies to Engineers as contained in the GENERAL LABOR AGREEMENT by and between the IHB and the UTU shall not be subject to negotiations therefore, the Parties to this Agreement shall not serve nor progress any notice or proposal for changing any of the specific provisions as contained in the Agreements identified in this Side Letter #8 until all IHB Yardmen that were employed, on or prior to October 1, 1992 have been attrited for reasons such as but not limited to death, retirement, resignation or disability that renders a Yardman unable to perform his/her duties as a Yardman. However, the Parties may negotiate changes to the aforementioned subject matter(s) by mutual agreement.

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

Very truly yours,

D.H. Nelson
General Superintendent

I agree

R.R. Pasquarella, General Chairman, BLE&T