

**INDIANA HARBOR BELT RAILROAD COMPANY**

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



December 15, 2005

Mr. Donald R. Byrom
General Chairman, BLET
P.O. Box 5031
Chicago, IL 60680-5031

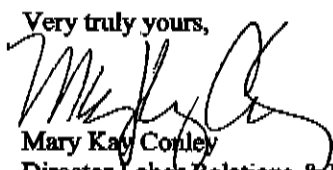
Dear Mr. Byrom:

This shall confirm our understanding reached in our conference at Hammond, Indiana on December 15, 2005, whereby it is mutually agreed and understood that in the event an Engineer was dismissed as an employee of IHB prior to July 31, 2005, such dismissed Engineer who is reinstated as a Engineer, with or without pay for time lost, shall be entitled to backpay in accordance with the terms and conditions as set forth in the August 1, 2005 Agreement between the IHB and BLET.

It is further understood that such Engineer shall be paid backpay within 30 days of reinstatement by separate check.

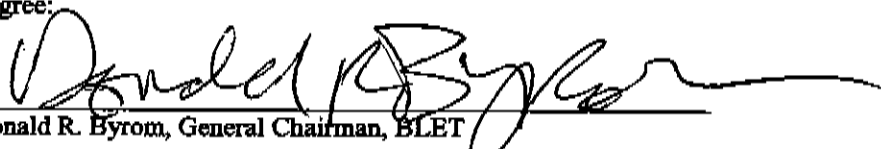
If this correctly sets forth our understanding, please affix your signature in the space provided below.

Very truly yours,



Mary Kay Conley
Director Labor Relations & Human Resources

I agree:



Donald R. Byrom, General Chairman, BLET

cc: D.H. Nelson, General Superintendent, IHB