

Agreement

between

New Orleans Public Belt Railroad

and

United Transportation Union
(Yardmaster Department)

This Agreement, as set forth below, made this 15th day of August, 2001, by and between the New Orleans Public Belt Railroad (hereinafter "NOPB" or "Carrier") and the United Transportation Union - Yardmasters Department (hereinafter "UTU" or "Organization"), is in full and final settlement of current negotiations between the parties concerning wages, rules, and working conditions for employees represented by the United Transportation Union in connection with the Section 6 Notices served by the UTU and NOPB on or about December 6, 1999, and May 16, 2000, respectively.

It is hereby agreed:

ARTICLE I - Wages

(a) General Wage increases:

Section 1 - First General Wage Increase:

Effective at the start of the first pay period following the date the NOPB is notified that the Agreement was ratified, all basic hourly, daily, and monthly rates of pay in effect on June 1, 2001, shall be increased in the amount of 2½ percent (2½ %).

Section 2 - Second General Wage Increase:

Effective July 1, 2002 all basic hourly, daily, and monthly rates of pay in effect on June 30, 2002, shall be increased in the amount of 3 percent (3%):

Section 3 - Third General Wage Increase:

Effective July 1, 2003, all basic hourly, daily, and monthly rates of pay in effect on June 30, 2003, shall be increased in the amount of 3 percent (3%).

(b) In determining new hourly, daily, or monthly rates, fractions of .5 cent or higher shall be rolled to the next full cent and fractions of less than .5 cent shall be dropped.

ARTICLE II – PRODUCTIVITY ALLOWANCE

(a) The special allowances set forth in Article VI of the January 28, 1997, Agreement between the UTU (Y) and NOPB will not be applicable to any employee who enters service as a yardmaster on or after January 1, 2002.

(b) In return for the elimination of the allowances identified in paragraph (a) above, the NOPB agrees to absorb any and all increases in the Health and Welfare Premium increases through December 31, 2003 (any contribution toward the Health and Welfare premiums required to be contributed by employees covered by the national Agreement that is negotiated on the national level between the NCCC and the UTU (Y) will not be applicable to the NOPB's Yardmaster employees between the effective date of this Agreement and December 31, 2003).

ARTICLE III – SHIFT TURNOVER

A yardmaster reporting, prior to his scheduled reporting time, and receiving a turnover shall be compensated with an allowance of twenty (20) minutes at one and one-half the normal yardmaster rate of pay.

ARTICLE IV – VACATION PAY

Effective January 1, 2002, a yardmaster receiving a vacation, or pay in lieu thereof, under the terms of the Yardmaster's Vacation Agreement shall be paid for each week of such vacation 1/52 of the compensation earned by such employee during the calendar year preceding the year in which the vacation is taken, but in no event shall such pay for each week of vacation be less than five (5) minimum basic days' pay at the rate of the last yardmaster service rendered.

ARTICLE V – TRAINING PROGRAM

(a) An employee entering yardmaster service as a trainee shall be compensated during such yardmaster training at the basic rate of pay applicable to the class of service from which such employee transferred (e.g., if an employee transfers from switching

service into a yardmaster trainee position and last worked as a regular assigned foreman, then such employee shall receive the foreman's basic daily rate of pay for each shift of training he receives as a yardmaster).

(b) An employee entering yardmaster service as a trainee from other than another craft on the NOPB, such employee shall be compensated during such yardmaster training at the rate of \$300.00 per week (five (5) days) for each week of training he receives as a yardmaster.

(c) Any yardmaster who performs as an instructor for a yardmaster trainee will be allowed one (1) hour compensation, at the straight time rate, for each tour of duty he has a "student/trainee-yardmaster" under his guidance. In addition, yardmasters will also receive this one (1) hour's pay if they have under their guidance a qualified yardmaster who has been required to receive further training.

ARTICLE VI - HEALTH AND WELFARE

(a) The parties agree that the Health and Welfare issues (including Supplemental Sickness Benefits) are being handle on a national basis by the NCCC (which has been authorized to negotiate Health and Welfare issues on behalf of the NOPB) and a coalition of national railroad unions that includes the UTU (Y). It is mutually agreed that the settlement (benefits and employee premium contribution) resulting from these negotiations will become part of this Agreement, subject to Article II above, and applicable on the NOPB upon the effective date of the settlement reached between the NCCC and coalition of unions.

(b) If the employee premium contribution is defined as a one time per year lump sum payment under the National Agreement, each yardmaster will have the option of having such lump sum payment divided into twenty-four equal payments and deducted from the employee's pay each pay period or pay the lump sum amount at one time; however, it is understood that the contribution to the premiums on the national basis will be applicable to the Yardmasters on the NOPB on a dollar-per-dollar basis.

ARTICLE VII - AUTOMATIC DEPOSIT

(a) The Company may establish direct deposit for its employees' paychecks.

(b) Current employees covered by this Agreement will have the option, when direct deposit become available, to sign up for direct deposit of their pay check or to continue to receive their pay check as they did prior to the effective day of this Agreement.

(c) Individuals who establish seniority in the Yardmaster's craft and who possess a hire date with the NOPB subsequent to the effective date of this Agreement may be required to sign up for direct deposit of their paychecks at the time they are employed

or, if direct deposit is not yet available, they may be required to sign up for direct deposit of their pay check when such program is made available by the Company.

ARTICLE VIII – RELINQUISHING SENIORITY

If a regular or extra Yardmaster for any reason gives up his seniority as a Yardmaster he will not again be allowed to reestablish Yardmaster's seniority for a period of 12 months, except by agreement between the NOPB and the General Chairman.

ARTICLE IX – SCHEDULE AGREEMENT

The parties agree to commence conferences, within six (6) months following the effective date of this Agreement, for the purpose of updating the schedule Agreement between the NOPB and UTU (Y). Once the update is completed, the NOPB will duplicate the Agreement and provide each Yardmaster with a copy thereof.

ARTICLE X - GENERAL PROVISIONS AND EFFECT OF THIS AGREEMENT

(a) The purpose of this Agreement is to fix the general level of compensation during the period of the Agreement, and is in full and final settlement of the notice served by the Organization, signatory hereto, dated December 6, 1999.

(b) This Agreement shall become effective August 16, 2001 and shall be construed as a separate Agreement by and on behalf of New Orleans Public Belt Railroad and their employees represented by the Organization signatory hereto, and shall remain in effect through June 30, 2004, and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

(c) The parties of this Agreement shall not serve nor progress prior to January 1, 2004 (not to become effective before July 1, 2004), any notice or proposal for changing any matter contained in this Agreement.

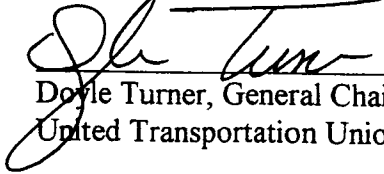
(d) New proposals properly served under the Railway Labor Act covering subject matters, which do not request compensation, may be progressed under the provisions of the Railway Labor Act, as amended.

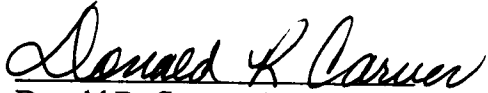
(e) This article will not bar Carrier and the Organization from agreeing upon any subject of mutual interest.

(f) The parties exchanged various proposals and drafts antecedent to the adoption of the various rules that appear in this Agreement. It is understood that none of such antecedent proposals and/or drafts will be used by either party for any purpose and that the provisions of this Agreement will be interpreted and applied as though such proposals and drafts has not been used or exchanged during the negotiations.

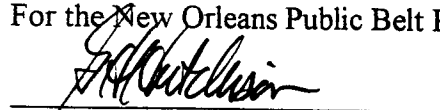
Signed this 15th day of August 2001, at New Orleans, Louisiana.

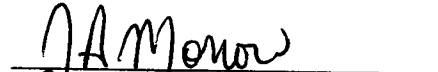
For the employees:


Doyle Turner, General Chairman
United Transportation Union (Y)


Donald R. Carver, Asst. to President
United Transportation Union --
Yardmasters Department

For the New Orleans Public Belt Railroad:


G. H. Hutchison
General Manager


J. A. Morrow
Manager Administrative Services