

Agreement between the
INDIANA HARBOR BELT RAILROAD COMPANY
and its Employees
Represented by the
UNITED TRANSPORTATION UNION - YARDMASTERS DEPARTMENT

IT IS HEREBY AGREED:

ARTICLE I - WAGES

Section 1 - Lump Sum Payment

A lump sum payment, calculated as described below, will be paid to each employee subject to this Agreement who established an employment relationship prior to the date of this Agreement and has retained that relationship or has retired or died. There shall be no duplication of lump sum payments by virtue of employment under an agreement with another organization.

Employees with 2,150 or more straight time hours paid for (not including any such hours reported to the Interstate Commerce Commission as constructive allowances except vacations and holidays) during the period July 1, 1984 through July 31, 1985 will be paid \$565.00. Those employees with fewer straight time hours paid for will be paid an amount derived by multiplying \$565.00 by the number of straight time hours (including vacations and holidays, as described above) paid for during that period divided by 2,150.

Section 2 - First General Wage Increase

Effective July 1, 1986, each basic monthly rate of pay in effect on June 30, 1986, for employees covered by this Agreement, shall be increased by 2.5 percent representing a general wage increase. Where basic monthly rates are not in effect, an equivalent adjustment shall be made.

Section 3 - Second General Wage Increase

Effective July 1, 1987, each basic monthly rate of pay in effect on June 30, 1987, for employees covered by this Agreement, shall be increased by 1.5 percent representing a general wage increase. Where basic monthly rates are not in effect, an equivalent adjustment shall be made.

Section 4 - Third General Wage Increase

Effective January 1, 1988, each basic monthly rate of pay in effect on December 31, 1987, for employees covered by this Agreement, shall be increased by 3.5 percent representing a general wage increase. Where basic monthly rates are not in effect, an equivalent adjustment shall be made.

Section 5 - Fourth General Wage Increase

Effective July 1, 1988, each basic monthly rate of pay in effect on June 30, 1988, for employees covered by this Agreement, shall be increased by 3.0 percent representing a general wage increase. Where basic monthly rates are not in effect, an equivalent adjustment shall be made.

Section 6 - Application of Wage Increase

- (a) In determining new hourly rates, fractions of a cent will be disposed of by applying the next higher quarter of a cent.

Section 7 - Coverage

The general increases in wages provided for in this Article shall be applied only to employees who have a current employment relationship under an agreement with the organization signatory hereto or who have retired or died subsequent to December 1, 1985.

ARTICLE II - SIGNING BONUS

A Signing Bonus will be paid as described below.

Yardmasters holding regular bulletined positions as yardmasters on the IHB at the date of the signing of this agreement will receive a signing bonus of \$1,000.00.

Unassigned Yardmasters on the seniority rosters at Norpaul, Blue Island and Gibson, with 2,150 or more straight time hours paid for (not including any such hours reported to the Interstate Commerce Commission as constructive allowances except vacations and holidays) during the thirteen (13) months prior to the signing of this agreement will be paid \$1,000.00. Those employees with fewer straight time hours paid for will be paid in the amount derived by multiplying \$1,000.00 by the number of straight time hours (including vacations and holidays, as described above) paid for during that service divided by 2,150.

Carrier will not abolish any regular Yardmaster positions with the intent to reduce this signing bonus during the ratification period.

ARTICLE III - PROVISIONS FOR RETROACTIVE PAY

All employees represented by the UTU Yardmasters Department shall receive retroactive backpay due under the provisions of Article I and II of this Agreement by separate check no later than thirty (30) days subsequent to the effective date of this Agreement.

ARTICLE IV - RATE PROGRESSION

Section 1 - Service First 60 - Months

Employees entering service on and after the date of this Agreement on positions covered by an agreement with the organization signatory hereto may be paid as follows for all service performed within the first sixty (60) calendar months of service:

- (a) For the first twelve (12) calendar months of employment, new employees shall be paid 75% of the applicable rates of pay.
- (b) For the second twelve (12) calendar months of employment, such employees shall be paid 80% of the applicable rates of pay.
- (c) For the third twelve (12) calendar months of employment, such employees shall be paid 85% of the applicable rates of pay.
- (d) For the fourth twelve (12) calendar months of employment, such employees shall be paid 90% of the applicable rates of pay.
- (e) For the fifth twelve (12) calendar months of employment, such employees shall be paid 95% of the applicable rates of pay.
- (f) Employees who have had an employment relationship with the IHB and are rehired will be paid at established rates after completion of a total of sixty (60) months' combined service.
- (g) Service with the carrier in a craft represented by another organization shall also be included in determining periods of employment under this rule.
- (h) An employee who has had a previous employment relationship as a yardmaster with another carrier and is subsequently hired by the IHB shall be covered by this Article. However, such employee will receive credit toward completion of the sixty (60) month period for any month in which compensated service was performed as a yardmaster provided that such compensated service last occurred within one year from the date of subsequent employment.

- (i) Any calendar month in which an employee does not render compensated service due to furlough, voluntary absence, suspension, or dismissal shall not count toward completion of the sixty (60) month period.

ARTICLE V - TERMINATION OF SENIORITY

The seniority of any employee whose seniority under an agreement with the organization signatory hereto is established after the date of this Agreement and who is furloughed for 365 consecutive days will be terminated if such employee has less than three (3) years of seniority.

The "365 consecutive days" shall exclude any period during which a furloughed employee receives compensation pursuant to an I.C.C. employee protection order or an employee protection agreement or arrangement.

ARTICLE VI - BENEFITS PROVIDED UNDER THE RAILROAD EMPLOYEES' HEALTH AND WELFARE PLAN

The provisions of Article V, entitled "Benefits provided under the Railroad Employees' National Health and Welfare Plan" of the NRLC/UTU Yardmaster's Department National Agreement dated June 15, 1987, along with side letters 3, 4 5, and 6 pertaining to this subject are incorporated into and made a part of this Agreement as if included herein.

ARTICLE VII - ROSTERS

Seniority Rosters as presently established at Norpaul, Blue Island and Gibson will remain in effect. Those Yardmasters on the existing rosters will have prior rights to the Yardmaster Assignments and Yardmaster work in their respective district as set forth in the schedule agreement.

Effective with the signing of this agreement, all other Yardmasters holding seniority on the IHB will be placed in seniority order at the bottom of each of the above mentioned Prior Right Roster's, with the location of their prior right district identified.

Any employee acquiring Yardmaster seniority after the date of this agreement will be placed at the bottom of the seniority rosters and identified on the rosters as System Yardmaster with rights in all districts.

NOTE: Refer to Appendix I.

ARTICLE VIII - EFFECT OF THIS AGREEMENT

Section 1.

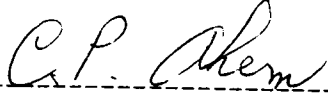
This agreement is made in full and final disposition of notices served on the Indiana Harbor Belt Railroad on or about May 18, 1984, covering wages, work rules, benefits and Health & Welfare for Yardmasters by the Organization signatory hereto, and notices served on or about June 15, 1984, by the Indiana Harbor Belt Railroad for concurrent handling pursuant to the provisions of the Railway Labor Act, as amended.

Section 2.

This agreement shall become effective on the date of signing and remain in effect until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

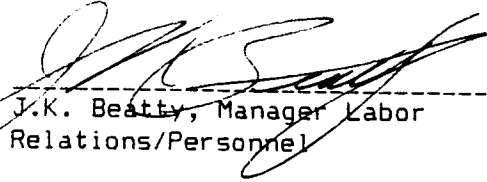
Signed at Hammond, Indiana, this 19th day of October, 1988.

For the United Transportation
Union - Yardmasters Department:



C.P. Ahern
General Chairman

For the Indiana Harbor Belt
Railroad Company:



J.K. Beatty, Manager Labor
Relations/Personnel

APPENDIX I

Referring to Article VII of the OCT. 19, 1988 Agreement, the following shall apply:

Section 1 - Filling of Permanent Vacancies:

- Q. How will a vacancy of more than thirty days (permanent) be filled?
- A. When permanent vacancies occur, new positions are created, or discontinued positions are re-established, such positions shall be filled in accordance with Rule 8 of the schedule agreement.
- (b) In the event a position is bulletined in a particular district, and no prior right Yardmaster employee in that district submits a bid for the position, the senior unassigned Yardmaster in that district will be assigned.
 - (c) In the event the roster of prior right Yardmaster employees in a district is exhausted, a permanent vacancy will be bulletined and any Yardmaster employee on the IHB Yardmaster Roster will have the right to bid on said vacancy.
 - (d) If no bid for a vacancy are received in accordance with paragraph (c) above, the junior unassigned yardmaster on the IHB Yardmaster Roster will be assigned to said position.

NOTE: In the event there are no junior unassigned Yardmasters available, then the senior employee protecting extra yardmaster work as provided for in Rule 2 of the Schedule Agreement, will be assigned.

Section 2 - Filling of Temporary Vacancies:

- (a) Regularly assigned Yardmasters who change assignments will not work two assignments in the same calendar day, except as provided in Section 3, Paragraph (c) of this agreement.
- (b) Regularly assigned Yardmasters may assign themselves to temporary vacancies of five (5) days or more and less than thirty (30) days, subject to paragraph (a) of this section.

INTERPRETATION:

In connection with Rule 2(e) and 4(h) of the Schedule Agreement hereto, the following application shall apply to this paragraph (b):

A Yardmaster desiring to take a temporary vacancy under the above provision may do so and move directly from his own assignment to the five (5) day vacancy without taking the rest days attached to his own assignment. However, a yardmaster, when filling such temporary vacancy, will not be permitted to either return to his own assignment or move to another temporary vacancy without first taking the two rest days attached to the assignment he is filling on a temporary basis. The provisions of this paragraph do not apply in the event a yardmaster is displaced from the assignment he is filling on a temporary basis.

It is also understood that an employee will receive the straight time rate of pay only, regardless of the fact that he may work more than five (5) days during any work week due to moving from one assignment to the other.

- (c) Regularly assigned Yardmasters in changing assignments shall be required to have eight (8) hours off duty before going on duty on the newly established assignment, except as provided for in Section 3, paragraph (c) of this agreement.
- (d) Regularly assigned Yardmasters requesting to work vacancies will notify the Trainmaster by telephone and confirm the telephone request by letter specifying the vacancy they wish to work.
- (e) Vacancies known to extend thirty (30) days or more will be considered as permanent vacancies and shall be advertised in accordance with Rule 8(a) of the Schedule Agreement.
- (f) Regular assigned yardmasters who desire to perform extra yardmaster service will notify the Trainmaster in writing and furnish copy to the General Chairman.

Section 3 - Filling Vacancies from Unassigned or Extra Yardmaster Lists:

In filling vacancies from the list of unassigned or extra yardmasters, the senior unassigned or extra yardmaster will be used, provided:

- (a) It will not result in using him on more than one yardmaster vacancy starting on the same calendar day.
- (b) He has had eight (8) hours off duty from the last service, except as provided in paragraph (c) of this section.
- (c) When there are no extra yardmasters available, as provided in paragraphs (a) and (b) of this section, a vacancy will be filled in the following manner:
 - (1) By the senior available yardmaster on his assigned rest day who has declared his availability for extra work by notice in writing to the Trainmaster.
 - (2) By doubling the yardmaster from the preceding shift.
 - (3) By doubling the yardmaster from the succeeding shift.

It is understood that no vacancy exists when a regular assigned yardmaster, under the provisions of Section 1 hereto, has selected the assignment.

Section 4

The provision of this agreement will be subject to the requirements of the Hours of Service Law in instances where it applies.

INDIANA HARBOR BELT RAILROAD COMPANY
2721 - 161ST STREET, P.O. BOX 389, HAMMOND, INDIANA 46325

J. K. BEATTY
MANAGER OF LABOR RELATIONS AND PERSONNEL

H. C. GEORGE
ASSISTANT MANAGER OF LABOR RELATIONS AND PERSONNEL

----- *Oct 19* -----, 1988

Side Letter #1

Mr. C.P. Ahern
General Chairman
UTU, Yardmasters Dept.
1529 Walnut Street
Michigan City, IN 46360

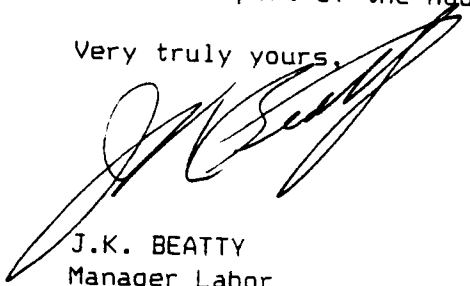
Dear Mr. Ahern:

This will confirm our understanding with respect to the absence of a cost-of-living Article in the Agreement of *Oct 19*, 1988.

The Company understands that the employees' acceptance of the Agreement is without prejudice to their rights to include a cost-of-living allowance provision in any future Section 6 notices that may be served on the Indiana Harbor Belt Railroad, and agrees not to use the employees' acceptance of the agreement as a basis of support to resist a request for a cost-of-living allowance in the future.

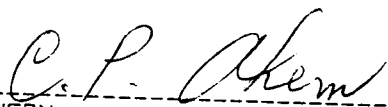
Furthermore, all cola and cola floats now in effect shall now become a permanent part of the hourly rate.

Very truly yours,


J.K. BEATTY
Manager Labor
Relations/Personnel

JKB/pp

I AGREE:



C.P. AHERN

INDIANA HARBOR BELT RAILROAD COMPANY
2721 - 161ST STREET, P.O. BOX 389, HAMMOND, INDIANA 46325

J. K. BEATTY
MANAGER OF LABOR RELATIONS AND PERSONNEL

H. C. GEORGE
ASSISTANT MANAGER OF LABOR RELATIONS AND PERSONNEL

----- oct 19 -----, 1988

Side Letter #2

Mr. C.P. Ahern
General Chairman
UTU, Yardmasters Dept.
1529 Walnut Street
Michigan City, IN 46360

Dear Mr. Ahern:

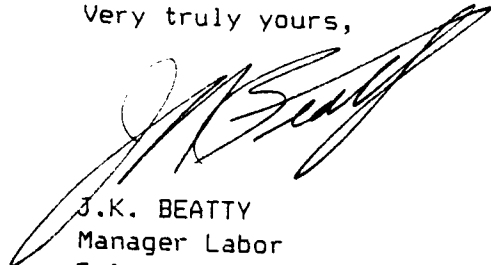
This will confirm our understanding with respect to Article 7 of the Agreement of oct 19, 1988.

In the event a Yardmaster employee is awarded or forced to take a permanent position in a district where he/she is unfamiliar with the physical plant or yardmaster duties, Carrier will provide a compensated training period of five (5) days at the rate of pay equal to the straight time pay he/she received on their former position.

Yardmaster employee acting as trainer will receive one (1) hours pay at the straight time rate for each day of the training period.

The time limits of this Agreement may be extended by agreement with the General Chairman and Carrier Superintendent.

Very truly yours,



J.K. BEATTY
Manager Labor
Relations/Personnel

JKB/pp

I AGREE:

C.P. Ahern

C.P. AHERN

INDIANA HARBOR BELT RAILROAD COMPANY
2721 - 161ST STREET, P.O. BOX 389, HAMMOND, INDIANA 46325

J. K. BEATTY
MANAGER OF LABOR RELATIONS AND PERSONNEL

H. C. GEORGE
ASSISTANT MANAGER OF LABOR RELATIONS AND PERSONNEL

----- Oct 19 -----, 1988

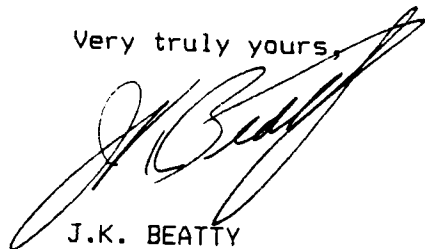
Side Letter #3

Mr. C.P. Ahern
General Chairman
UTU, Yardmasters Dept.
1529 Walnut Street
Michigan City, IN 46360

Dear Mr. Ahern:

This will confirm our understanding, relative to Article I, Section (1) of the Oct 19, 1988, Agreement, that time lost by Mr. C.P. Ahern and Mr. C.E. Croach due to official union business, will be included in determining straight time hours for the \$565.00 lump payment sum.

Very truly yours,



J.K. BEATTY
Manager Labor
Relations/Personnel

JKB/pp

I AGREE:

C.P. Ahern

C.P. AHERN

INDIANA HARBOR BELT RAILROAD COMPANY
2721 - 161ST STREET, P.O. BOX 389, HAMMOND, INDIANA 46325

J. K. BEATTY
MANAGER OF LABOR RELATIONS AND PERSONNEL

H. C. GEORGE
ASSISTANT MANAGER OF LABOR RELATIONS AND PERSONNEL

----- Oct 19 -----, 1988

Side Letter #4

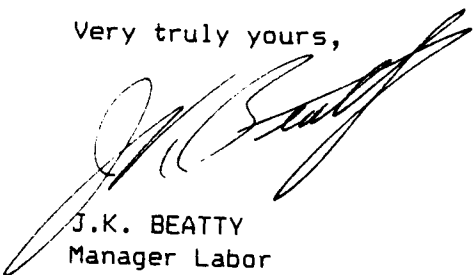
Mr. C.P. Ahern
General Chairman
UTU, Yardmasters Dept.
1529 Walnut Street
Michigan City, IN 46360

Dear Mr. Ahern:

This will confirm our understanding, relative to Article I, Section (1) of the Oct 19 -----, 1988, Agreement.

When due to working as an Extra Yardmaster, an employee of another craft did not accumulate sufficient straight time hours to qualify for the entire \$565.00 lump sum due him under the terms of IHB's Agreement, with his primary craft, the employee will be entitled to participate in the lump sum set forth in Article I, Section (1) of this agreement to and amount determined by his straight time hours worked as a yardmaster. It is understood that the combined amount paid to any such individual will not exceed \$565.00

Very truly yours,


J.K. BEATTY
Manager Labor
Relations/Personnel

JKB/pp

I AGREE:



C.P. AHERN