AGREEMENT

BETWEEN THE

INDIANA HARBOR BELT RAILROAD COMPANY

AND ITS EMPLOYEES

REPRESENTED BY THE

UNITED TRANSPORTATION UNION-YARDMASTER DEPARTMENT

IT IS HEREBY AGREED:

ARTICLE I - WAGES

Section 1 - Lump Sum Payment

A lump sum payment of $500.00 will be paid to each employee subject to the Agreement who has established Yardmaster seniority on or before the effective date of this Agreement or has retired or since July 1, 2002.

Section 2 - First General Wage Increase

Effective July 1, 2002, all standard basic daily rates of pay for employees covered by this Agreement in effect on June 30, 2002 shall be increased by four (4) percent.

Section 3 - Second General Wage Increase

Effective July 1, 2003, all standard basic daily rates of pay in effect on June 30, 2003 for employees covered by this Agreement shall be increased by two-and-one-half (2-1/2) percent, computed and applied in the same manner prescribed in Section 2 above.

Section 4 - Third General Wage Increase

Effective July 1, 2004, all standard basic daily rates of pay in effect on June 30, 2004 for employees covered by this Agreement shall be increased by three (3) percent, computed and applied in the same manner prescribed in Section 2 above.
Section 5 - 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 party signatory hereto or who have retired or died subsequent to July 1, 2002.

Section 6 - Cost of Living Allowances

Outstanding COLA allowances will be rolled into the basic daily rate of pay after application of the July 1, 2002 General Wage Increase.

Section 7 - Application of Wage Increases

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

ARTICLE II- COST-OF-LIVING PAYMENTS


Article II, Part C, of the June 30, 1998 agreement between the IHB and the employees represented by the UTU-yardmasters shall be eliminated effective on the date of this Agreement. On June 30, 2002, the forty-eight cent cost-of-living allowance pursuant to such provision in effect on that date shall be rolled into basic rates of pay.

Part B - Cost-of-Living Allowance and Adjustments Thereto After January 1, 2005

Section 1 - Cost-of-Living Allowance and Effective Dates of Adjustments

(a) A cost-of-living allowance shall be payable in the manner set forth in and subject to the provisions of this Part, on the basis of the "Consumer Price Index for Urban Wage Earners and Clerical Workers (Revised Series) (CPI-W)" (1967=100), U.S. Index, all items - unadjusted, as published by the Bureau of Labor Statistics, U.S. Department of Labor, and hereinafter referred to as the CPI. The first such cost-of-living allowance shall be payable effective July 1, 2005 based, subject to paragraph (d), on the CPI for March 2004 as compared with the CPI for September 2004. Such allowance, and further cost-of-living adjustments thereto which shall become effective as described below, shall be based on the change in the CPI during the respective measurement periods shown in the following table, subject to the exception provided in paragraph (d)(iii), according to the formula set forth in paragraph (e).
Measurement Periods

<table>
<thead>
<tr>
<th>Base Month</th>
<th>Measurement Month</th>
<th>Effective Date of Adjustment</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 2004</td>
<td>March 2005</td>
<td>July 1, 2005</td>
</tr>
<tr>
<td>March 2005</td>
<td>September 2005</td>
<td>January 1, 2006</td>
</tr>
</tbody>
</table>

Measurement Periods and Effective Dates conforming to the above schedule shall be applicable to periods subsequent to those specified above during which this Article is in effect.

(b) While a cost-of-living allowance is in effect, such cost-of-living allowance shall apply to straight time, overtime, protected rates, vacations, holidays and personal leave days in the same manner as basic wage adjustments have been applied in the past, except that such allowance shall not apply to special allowances and arbitraries representing duplicate time payments.

(c) The amount of the cost-of-living allowance, if any, that shall be effective from one adjustment date to the next may be equal to, or greater or less than, the cost-of-living allowance in effect in the preceding adjustment period.

(d) (i) Cap. In calculations under paragraph (e), the maximum increase in the CPI that shall be taken into account shall be as follows:

<table>
<thead>
<tr>
<th>Effective Date of Adjustment</th>
<th>Maximum CPI Increase That May Be Taken Into Account</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1, 2005</td>
<td>3% of September 2004 CPI</td>
</tr>
<tr>
<td>January 1, 2006</td>
<td>6% of September 2004 CPI, less the increase from September 2004 to March 2005</td>
</tr>
</tbody>
</table>

Effective Dates of Adjustment and Maximum CPI Increases conforming to the above schedule shall be applicable to periods subsequent to those specified above during which this Article is in effect.

(ii) Limitation. In calculations under paragraph (e), only fifty (50) percent of the increase in the CPI in any measurement period shall be considered.

(iii) If the increase in the CPI from the base month of September 2004 to the measurement month of March 2005 exceeds 3% of the September 2004 base index, the measurement period that shall be used for determining the cost-of-living adjustment to be effective the following January shall be the 12-month
period from such base month of September; the increase in the index that shall be taken into account shall be limited to that portion of the increase that is in excess of 3% of such September base index; and the maximum increase in that portion of the index that may be taken into account shall be 6% of such September base index less the 3% mentioned in the preceding clause, to which shall be added any residual tenths of points which had been dropped under paragraph (e) below in calculation of the cost-of-living adjustment which shall have become effective July 1, 2005 during such measurement period.

(iv) Any increase in the CPI from the base month of September 2004 to the measurement month of September 2005 in excess of 6% of the September 2004 base index shall not be taken into account in the determination of subsequent cost-of-living adjustments.

(v) The procedure specified in subparagraphs (iii) and (iv) shall be applicable to all subsequent periods during which this Article is in effect.

(e) Formula. The number of points change in the CPI during a measurement period, as limited by paragraph (d), shall be converted into cents on the basis of one cent equals 0.3 full points. (By "0.3 full points" it is intended that any remainder of 0.1 point or 0.2 point of change after the conversion shall not be counted.)

The cost-of-living allowance in effect on December 31, 2005 shall be adjusted (increased or decreased) effective January 1, 2006 by the whole number of cents produced by dividing by 0.3 the number of points (including tenths of points) change, as limited by paragraph (d), in the CPI during the applicable measurement period. Any residual tenths of a point resulting from such division shall be dropped. The result of such division shall be added to the amount of the cost-of-living allowance in effect on December 31, 2005 if the CPI shall have been higher at the end than at the beginning of the measurement period, and subtracted therefrom only if the index shall have been lower at the end than at the beginning of the measurement period and then, only, to the extent that the allowance remains at zero or above. The same procedure shall be followed in applying subsequent adjustments.

(f) Continuance of the cost-of-living allowance and the adjustments thereto provided herein is dependent upon the availability of the official monthly BLS Consumer Price Index (CPI-W) calculated on the same basis as such Index, except that, if the Bureau of Labor Statistics, U.S. Department of Labor should, during the effective period of this Article, revise or change the methods or basic data used in calculating such Index in such a way as to affect the direct comparability of such revised or changed index with the CPI-W during a measurement period, then that Bureau shall be requested to furnish a conversion factor designed to adjust the newly revised index to the basis of the CPI-W during such measurement period.
Section 2 - Payment of Cost-of-Living Allowances

(a) The cost-of-living allowance that becomes effective July 1, 2005 shall be payable to each employee commencing on that date.

(b) The increase in the cost-of-living allowance effective January 1, 2006 pursuant to Section 1 of this Part shall be payable to each employee commencing on that date.

(c) The increase in the cost-of-living allowance effective July 1, 2006 pursuant to Section 1 of this Part shall be payable to each employee commencing on that date.

(d) The procedure specified in paragraph (b) and (c) shall be followed with respect to computation of the cost-of-living allowances payable in subsequent years during which this Article is in effect.

(e) In making calculations under this Section, fractions of a cent shall be rounded to the nearest whole cent; fractions less than one-half cent shall be dropped and fractions of one-half cent or more shall be increased to the nearest full cent.

Section 3 - Application of Cost-of-Living Allowances

The cost-of-living allowance provided for by Section 1 of this Part B will not become part of basic rates of pay. Each one cent per hour of cost-of-living allowance will be applied to basic monthly rates of pay produced by application of the general wage increase provisions of Article I on each railroad in the same manner as used in applying the cost-of-living adjustment provisions of the June 15, 1987 National Agreement.

Section 4 - Continuation of Part B

The arrangements set forth in this Part B shall remain in effect according to the terms thereof until revised by the parties pursuant to the Railway Labor Act.

ARTICLE III – RULES

Section 1 – 401(k) Match

The Carrier will match $0.25 for each $1.00 on the first six (6) per cent of Yardmaster earnings deposited in the 401(k) Plan for Yardmasters who participate in or enroll in the 401(k) plan current applicable to the Yardmaster craft.

Section 2 - Turnover Time

Existing agreements are amended to provide that an employee covered by this Agreement shall receive an allowance for all time consumed immediately prior or
subsequent to the employee's regular tour of duty that is (i) required by the carrier, and (ii) directly involves the transition of ongoing work responsibilities between shifts. Such allowance shall not exceed an amount equal to fifteen (15) minutes' time at the straight time rate of pay.

Section 3 – Guaranteed Extra Board

It is hereby agreed that Yardmaster Guaranteed Extra Boards (GEB) will be established in accordance with and be governed by the provisions of this Agreement, unless otherwise agreed by the parties.

(a) Guaranteed Extra Board positions will be advertised pursuant to the bulletin requirement of Article VII, Appendix I, Section 1, Yardmaster Agreement dated October 19, 1988. The provisions Mediation Agreement No. 9288, shall govern when a Guaranteed Extra Board position is abolished, except the ten (10) day calendar notice shall be reduced to five (5) calendar days.

(b) GEB Yardmasters will be called and used on a first-in, first-out basis for all extra Yardmaster work.

(c) The GEB Yardmaster workweek will begin on Saturday and conclude on Friday. Each GEB Yardmaster position will be assigned one (1) rest day each week. The rest days will be assigned by the Carrier and will be the same each week. Changes in the rest day will be made in accordance with Rule 3 (effective, July 1, 1958). Employees assigned to the GEB will be paid a minimum of forty (40) straight time hours for each workweek, for which they are fully available. Such employees must be available for call during the period beginning two hours prior to the earliest starting time for each trick, and ending one hour after the latest starting time for each trick. The forty- (40) hour guarantee will be reduced by eight (8) hours for each calendar day or part thereof an employee is unavailable for work.

NOTE: “Rest day” is defined as a twenty-four (24) hour period beginning at 0001 to 0001 the following day or a twenty-four (24) hour period from the time released from last shift worked, if that last shift continues into the scheduled rest day. For example, a Yardmaster is released from last shift worked at 0759 and receiving a call for a 0600 position the following day does not constitute rest day compensation.

(d) A Yardmaster who marks off the GEB for any reason, including missing a call, will remain off for a minimum of twenty-four (24) hours, and the forty (40) hours guarantee will be reduced in accordance with Section 3 above.

(e) A Yardmaster who is not assigned to a GEB for an entire seven (7) day work week (Saturday through Friday) will be entitled to a GEB guarantee to be determined by the number of days the employee is assigned to the GEB in accordance with the following:
(1) A GEB occupant will be considered to be assigned to the GEB on any day he is not displaced prior to 12:01 p.m.

(2) A Yardmaster acquiring a GEB position through displacement will be considered assigned to the GEB on any day acquires the position no later than 11:59 a.m.

(3) Such Yardmaster will be entitled to a GEB guarantee for the week based on the number of days assigned to the GEB in accordance with the provisions of Section (1) below.

(f) Yardmasters applying for a position on the GEB or attempting to displace onto a GEB position must be qualified on at least two (2) Yardmaster locations which are protected by the Board.

(g) When a temporary vacancy of twenty (20) or more days occurs on a GEB position, it will be protected by the senior extra unassigned Yardmaster who is qualified pursuant to Section (f) of this Article.

(h) If the GEB becomes exhausted, extra Unassigned Yardmasters will be used in seniority order, if qualified, before using the qualified Regularly Assigned Yardmasters at punitive rate.

(i) Yardmasters assigned to the GEB will be considered as regularly assigned for the purposes of applying all the rules of the Yardmaster Agreement, except that employees assigned to GEB positions(s) can be worked two shifts in a calendar day at straight time rate provided such employee has a minimum of eight hours rest between shifts, and the position is not covered by the Hours of Service Law. Refusal of a call which would put a Yardmaster on duty for a twenty-four (24) hour period will not be charged against a Yardmaster’s guarantee.

(j) Yardmasters assigned to the GEB may be used to assist Trainmasters, other Yardmasters or other Carrier Officers in the performance of their duties or perform other work which does not cross craft lines as part of their forty (40) hour guarantee.

(k) The following payments will be counted toward the computation of the GEB 40 hour guarantee:

(1) Safety Day(s)  (2) Personal Leave Day(s)
(3) Vacation Day(s)  (4) Bereavement Leave
(5) Jury Duty  (6) Holiday(s) Worked
(7) Company Business (Determined by Supervisor)
(l) Guarantee due for employees assigned to the guaranteed extra board less than a full payroll period will be determined on the basis of the table below:

<table>
<thead>
<tr>
<th>NO. OF DAYS ASSIGNED TO GEB</th>
<th>GEB DAYS GUARANTEED</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1/6 x 5 = 1</td>
</tr>
<tr>
<td>2</td>
<td>2/6 x 5 = 1</td>
</tr>
<tr>
<td>3</td>
<td>3/6 x 5 = 2</td>
</tr>
<tr>
<td>4</td>
<td>4/6 x 5 = 3</td>
</tr>
<tr>
<td>5</td>
<td>5/6 x 5 = 4</td>
</tr>
<tr>
<td>6</td>
<td>6/6 x 5 = 5</td>
</tr>
</tbody>
</table>

(m) No later than the 20th day of each month, the Local Chairman and the Manager of Crew Management, or his designee, will meet to determine the number yardmasters that will be needed on the GEB for the following month based on known and/or projected vacancies to be filled by the GEB. GEB position(s) will be established for each twenty (20) such known and/or projected vacancies for the following month.

Section 4 - Seniority

(a) Seniority rosters as presently established shall remain in effect except as provided in paragraph (c) of this Article. Yardmasters will acquire seniority after performing sixty (60) shifts of Yardmaster service and seniority shall then date from the first day worked of the sixty (60) shifts. First day of “Yardmaster service” is defined as the first full shift worked after having been qualified to work unassisted as a Yardmaster. If Extra Yardmasters decline to accept service as Yardmasters for any reason they shall forfeit their rights under this cumulative period and will be notified in writing accordingly by proper officer with copy to the Local Chairman and General Chairman. If extra Yardmasters miss call without a legitimate reason, i.e., illness which can be documented by a doctor’s excuse, vacation, personal leave day, bereavement leave, jury duty, filling official positions, six (6) times in a calendar year they shall forfeit their rights under this cumulative period and will be notified in writing accordingly by proper officer with copy to the Local and General Chairman.

If two Extra Yardmasters perform their first day of “Yardmaster service” on the same date, seniority standing shall be determined first by their seniority date in their prior craft, second last hire date on IHB and third, by whose birth date comes earlier in a calendar year.
(b) Extra Yardmasters who have not established seniority and have worked unassisted in Yardmaster service sixty (60) or more shifts prior to the effective date of this agreement will have their seniority date placed on the roster based on the first day after the date in which the yardmaster worked his or her 60th full shift in Yardmaster service.

(c) Seniority rosters for each seniority district shall be closed with the effective date of this agreement. Thereafter, a single IHB seniority roster for yardmasters will be established. Employees will be placed on the roster on the basis of their earliest retained yardmaster seniority date. If more than one employee has the same date their standing on the roster will be in accordance with their earliest entered service date on the IHB. Each prior right yardmaster will be designated on the new IHB system seniority roster and will retain and accumulate rights to prior right work. Prior right IHB yardmasters may exercise system seniority to a non-prior right position through the normal exercise of seniority. Copies of the roster will be furnished to the Local and General Chairman at the beginning of each year and notice of changes or additions shall be furnished as and when they occur.

All protests must be made in writing within ninety (90) days from date of first issue upon which the name of a Yardmaster concerned is shown. Where no protests are made within that time, seniority dates will be considered as correct and not subject to change by future protest, except to correct typographical errors and omissions.

(d) Yardmasters laid off on account of reduction in forces will retain and accumulate their seniority, consistent with the provisions of this Article.

(This Article supercedes Rule 7 – Seniority of the Agreement effective, July 1, 1958.)

Section 5 - Maintenance of Membership

A Yardmaster promoted from the Indiana Harbor Belt to a non-contract position or placed on a special assignment with the IHB prior to the effective date of this agreement shall retain and accumulate seniority. A Yardmaster promoted on or after the effective date of this agreement shall be subject to the Maintenance of Membership requirements of the Union Shop Agreement in order to retain and accumulate Yardmaster seniority.

Section 6 – Meal Period

(a) Yardmasters will be permitted, consistent with the requirements of the service and without deduction, a twenty (20) minute meal period between the fourth and sixth hours on duty.

(b) Yardmasters who work two (2) consecutive shifts (16 hours) will be allowed, without deduction, a twenty (20) minute meal period during the second eight (8)
hour period, plus a payment of twenty (20) minutes at the pro rata rate of the position worked.

Section 7 - Entry Rates

(a) Qualified Yardmasters will be compensated at 100% of the existing rate of pay consistent with the provisions of this Article.

(b) When additional Yardmasters are required, the Carrier will advertise the number of opportunities by bulletin. Applicants for Yardmaster training will be selected by the Carrier. The duration and nature of the training will be determined by the Carrier.

(c) Employees selected for Yardmaster training who hold seniority in another craft will be compensated for each day of training at the basic daily rate of the last position held prior to beginning the training period. Unless otherwise mutually agreed between the parties, training will be limited to forty (40) hours per week and will consist of classroom and/or on-the-job training.

Note: At no time will the training rate exceed ninety (90) percent of the Yardmaster basic daily rate of pay.

(d) At the successful completion of the training, the Yardmaster will be compensated at the rate of 90% of the Yardmaster rate until completion of the one-year period. At the expiration of the one year of Yardmaster service, such employee will be paid the 10% differential in the Yardmaster rate for all service performed between the commencement of the ninety (90) shifts probationary period and the one-year period.

Note 1: The “one-year period”, as used in this Article, means a twelve (12) consecutive months period starting with the date such employee commences Yardmaster training.

Note 2: Chronology of events:
1. Awarded a training position
2. Begin training-paid at the basic daily rate of the prior craft.
3. Start ninety (90) shifts probationary period-paid at 90% of the Yardmaster rate.
4. Establish Yardmaster Seniority-continue 90% rate.
5. Complete the one-year period-receive 10% differential for earnings paid between steps 3 through 5.

(e) Yardmasters who do not complete the one-year period of Yardmaster service, will not be paid the 10% compensation differential. The one-year period may be extended by mutual written agreement between the Superintendent and the Local Chairman.
Section 8 - Training

(a) 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 up to ten (10) days at the rate of pay equal to the straight time pay he/she received on their former position.

(b) Yardmaster employees acting as trainer will receive one (1) hour pay at the straight time rate for each day assigned with a trainee.

(c) The time limits of this Article may be extended by agreement between the Local Chairman and the Carrier Superintendent.

(This Article supersedes Side Letter No.2 of the Agreement dated October 19, 1988.)

ARTICLE IV – SUPPLEMENTAL SICKNESS

The October 31, 1978 Supplemental Sickness Benefit Agreement, as subsequently amended (Sickness Agreement), shall be further amended as provided in this Article.

Section 1 - Adjustment of Plan Benefits

(a) The benefits provided under the Plan established pursuant to the Sickness Agreement shall be adjusted as provided in paragraph (b) so as to restore the same ratio of benefits to rates of pay as existed on December 31, 1999 under the terms of Article VII, Document “B” of Appendix D of the Award of Arbitration Board No. 559. Enactment of the agreed-upon RUIA legislation shall not cause the ratio of benefits to rates of pay to differ from that which existed on December 31, 1999.

(b) Section 4 of the Sickness Agreement shall be revised to read as follows:


(a) Subject to the provisions of Subparagraph 4(b), the monthly benefit under this Plan for employees eligible to receive sickness benefits under the Railroad Unemployment Insurance Act (RUIA) will be $1505.50, and the monthly benefit under this Plan for employees who have exhausted their sickness benefit under the RUIA will be $2,506. For disabilities lasting less than a month, and for any residual days of disability lasting more than an exact number of
months, benefits will be paid on a calendar days basis at 1/30 of the monthly benefit rate.

(b) If the RUJA should be so amended as to increase daily benefit rates thereunder for days of sickness, and the sum of 21.75 times the average daily benefit for Yardmasters under the RUJA as so amended plus the amount of the $1505.50 monthly benefit should exceed $2,630, the amount of the monthly benefit shall be reduced to the extent that the sum of the amount of the reduced monthly benefit plus 21.75 times the average daily benefit for yardmasters under the amended RUJA will not exceed $2,630. "The average daily benefit for Yardmasters under the RUJA as so amended" for purposes of this Paragraph 4(b) is the benefit which would be payable to a Yardmaster who had worked full time in his base year and whose monthly rate of pay at the December 31, 1999 wage level was $3,757."

Section 2 - Adjustment of Plan Benefits During Agreement Term

Effective December 31, 2004, the benefits provided under the Plan shall be adjusted so as to restore the same ratio of benefits to rates of pay as existed on the effective date of this Article.

Section 3 - Amendment of Paragraph 6 of Sickness Agreement

Paragraph 6 of the Sickness Agreement is amended by revising the last sentence thereof to read as follows:

“For purposes of this Paragraph, a recovery shall be deemed to be for loss of wages to the extent of any actual wages lost due to the disability involved, regardless of how such recovery may be allocated for any other purpose.”

ARTICLE V- OFF-TRACK VEHICLE BENEFITS

Article IV of the September 20, 1968 Agreement (“1968 Agreement”), as amended by Article VI of the October 31, 1978 Agreement, is further amended as follows effective on the date of this Agreement:

Section 1

Paragraph (b)(1) of the 1968 Agreement 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 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 of One Eye $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) of the 1968 Agreement 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) of the 1968 Agreement is amended by substituting the figure "$10,000,000" for the figure "$1,000,000" wherever the latter figure appears.

**ARTICLE VI - Health and Welfare**

The parties to this agreement agree that the provisions of the "Supplemental Agreement", Document "B" dated December 9, 2003, between the National Carrier's Conference Committee and the employees represented by the Yardmaster Department of the United Transportation Union, made in connection with Article IV of Document "B" of the August 20, 2002 National Agreement, attached hereto as Exhibit A and is hereby made a part of this agreement and disposes of any outstanding notices served on or after November 1, 1999 concerning Health and Welfare.
ARTICLE VII- GENERAL PROVISIONS

Effect of this Agreement

The purpose of this Agreement is to fix the general level of compensation during the period of the Agreement, and to settle the disputes growing out of the notices dated November 1, 1999 and served upon the Indiana Harbor Belt Railroad Company, and notices dated on or subsequent to November 1, 1999, served by the Carrier upon the Organization for concurrent handling. This Agreement shall be construed as a full and final disposition of notices covering wages, benefits and Health & Welfare for Yardmasters by the Organization signatory hereto pursuant to the provisions of the Railway Labor Act, as amended. The agreement shall remain in effect through December 31, 2004 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

No party to this Agreement shall serve, prior to November 1, 2004 (not to become effective before January 1, 2005), any notice or proposal for the purpose of changing the subject matter of the provisions of this Agreement or which proposes matters covered by the proposals of the parties cited in paragraph (a) of this Section, and any proposals in pending notices relating to such matters are hereby withdrawn.

This Article will not bar management and the General Committee on the Railroad from agreeing upon any subject of mutual interest.

Signed at Hammond, Indiana, this 15th day of January, 2004.

For the United Transportation Union Yardmasters Department:

James R. Cumby
Vice President
UTU-Yardmasters Department

Richard W. Miller
General Chairman
UTU-Yardmasters Department

For the Indiana Harbor Belt Railroad Company:

Gary L. Gibson
General Manager

Mary Kay Conley
Director Labor Relations and Human Resources

For the United Transportation Union Yardmasters Department:

Doyle K. Turner
Alternate Vice President
UTU-Yardmasters Department
January 15, 2004

Side Letter No. 1

Mr. Richard W. Miller  
General Chairman, UTU - Yardmasters Department  
163 Linden Road  
Prescott, WI 54021

Dear Mr. Miller:

This confirms our understanding with respect to this Agreement.

The parties exchanged various proposals and drafts antecedent to adoption of the various Articles that appear in this Agreement. It is our mutual understanding that none of such antecedent proposals and drafts will be used by any party for any purpose and that the provisions of this Agreement will be interpreted and applied as though such proposals and drafts had not been used or exchanged in the negotiation.

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

Yours very truly,

Mary Kay Conley  
Director Labor Relations and Human Resources

I Agree:

Richard W. Miller  
General Chairman, UTU – Yardmasters Dept.
January 15, 2004

Side Letter No. 2

Mr. Richard W. Miller  
General Chairman, UTU- Yardmasters Department  
163 Linden Road  
Prescott, WI 54021

Dear Mr. Miller:

This confirms our understanding with respect to the Agreement of this date.

Any cost-of-living amount payments made to employees pursuant to Article II, Part C of the June 30, 1998 agreement between the IHB and UTU-yardmasters on or after July 1, 2003 shall be recovered from any retroactive wage increase payments made under Article I.

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

Yours very truly,

Mary Kay Conley
Director Labor Relations and Human Resources

I Agree:

Richard W. Miller  
General Chairman, UTU – Yardmasters Dept.
January 15, 2004

Side Letter No. 3

Mr. Richard W. Miller
General Chairman, UTU - Yardmasters Department
163 Linden Road
Prescott, WI 54021

Dear Mr. Miller:

This refers to the discussions that led to the Indiana Harbor Belt Yardmaster Agreement. It was agreed that lump sum and back pay compensation will be paid within sixty (60) days following receipt of the notice of agreement ratification.

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

Yours very truly,

Mary Kay Conley
Director Labor Relations and Human Resources

I Agree:

Richard W. Miller
General Chairman, UTU – Yardmasters Dept.
January 15, 2004

Side Letter No. 4

Mr. Richard W. Miller
General Chairman, UTU- Yardmasters Department
163 Linden Road
Prescott, WI 54021

Dear Mr. Miller:

This refers to the discussions that led to the Indiana Harbor Belt Yardmaster Agreement. It was agreed that applicable General Wage increases will be applied within sixty (60) days following receipt of the notice of agreement ratification.

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

Yours very truly,

Mary Kay Conley
Director Labor Relations and Human Resources

I Agree:

Richard W. Miller
General Chairman, UTU – Yardmasters Dept.
January 15, 2004

Side Letter No. 5

Mr. Richard W. Miller
General Chairman, UTU - Yardmasters Department
163 Linden Road
Prescott, WI 54021

Dear Mr. Miller:

This refers to the discussions that led to the Indiana Harbor Belt Yardmaster Agreement. It was agreed that Yardmasters who elect to deposit their lump sum payment in to a 401(k) account will have the amount matched in accordance with the provisions of ARTICLE III, Section 1 of this Agreement.

Yardmasters electing to deposit the lump sum in their 401(k) account must notify the Payroll Department in writing within fifteen (15) days following ratification of the Agreement.

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

Yours very truly,

Mary Kay Conley
Director Labor Relations and Human Resources

I Agree:

Richard W. Miller
General Chairman, UTU – Yardmasters Dept.
January 15, 2004

Side Letter No. 6

Mr. Richard W. Miller
General Chairman, UTU- Yardmasters Department
163 Linden Road
Prescott, WI 54021

Dear Mr. Miller:

This refers to the discussions that led to the Indiana Harbor Belt Yardmaster Agreement. The parties have agreed to delay application of the January 1, 2004 COLA allowance until February 1, 2004 pending ratification of the proposed agreement.

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

Yours very truly,

Mary Kay Cooley
Director Labor Relations and Human Resources

I Agree:

Richard W. Miller
General Chairman, UTU - Yardmasters Dept.