

INDIANA HARBOR BELT RAILROAD COMPANY

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

August 28, 1992

Side letter #9

Mr. P.D. Drennan General Chairman - UTU(y) 533 South Tower 1000 E. 80th Place Merrillville, IN 46410

Dear Mr. Drennan:

This will confirm our understanding reached during the negotiations of the October 1, 1992 Agreement relative to promoting Yardmen to Yard Foreman, whereby it was mutually agreed that except for valid medical reasons, all Yardmen must accept promotion to Foreman. Furthermore, once promoted to Foreman, the employee, including those already promoted, shall not be permitted to relinquish their standing as a Foreman except for medical reasons. The Carrier shall not demote a Foreman for any reason.

Yardmen who establish seniority subsequent to October 1, 1992, shall be examined for promotion to Foreman between the completion of their first 200 days actual work as a Yardman and their 500th day of actual work as a Yardman, or as soon as possible thereafter.

Such Yardmen shall be provided with a written notice of the Foreman Promotional Examination not less than thirty (30) calendar days prior to the date the examination is scheduled. Such Yardmen shall be paid one (1) day's pay at the Yard Foreman's rate of pay for taking the Foreman Promotional Examination. Furthermore, the Carrier shall make available optional classes designed to assist Yardmen for the examination. Yardmen opting to attend these classes shall do so without pay or any additional expense to the Carrier.

After being notified of a scheduled promotional examination, if a Yardman fails to appear or pass the first examination, he/she shall be allowed thirty (30) days in which to prepare for a second examination. If the Yardman fails to appear or pass the second examination, he/she shall be allowed an additional thirty (30) days to prepare for a third examination. If the Yardman fails to appear or pass the third examination, he/she shall cease to be an employee of the Indiana Harbor Belt Railroad Company.

Yardmen who have established seniority on or before October 1, 1992, and who have been promoted to Foreman under previous promotional procedures, shall not be required to take promotional examinations.

Yardmen who established seniority prior to October 1, 1992, and who have not been promoted to Foreman must request promotion to Foreman by contacting Carrier's Superintendent prior to January 1, 1993. The Superintendent shall arrange for promotional examinations to be conducted for these Yardmen in accordance with the procedure set forth for Yardmen employed subsequent to October 1, 1992. It is understood, however, that despite the best efforts of all concerned, if such a Yardman cannot pass the Foreman Promotional Examination, he/she shall be permitted to continue to work as a Yardman on assignments that do not require Foreman qualification.

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

Very truly yours,

J.K. Beatty

Manager Labor Relations/Personnel

I agree:

P.D. Drennan, General Chairman - UTU(y)