



INDIANA HARBOR BELT RAILROAD COMPANY

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

C. H. ALLEN
GENERAL MANAGER

HAMMOND
(219) 989-4703
FAX (219) 989-4707

May 7, 1997

Side Letter #1 (Crew Consist)

Mr. P.D. Drennan
General Chairman, UTU(y)
P.O. Box 3162
Lisle, Illinois 60532-3162

Dear Mr. Drennan:

This will confirm our understanding reached during our negotiations of the June 1, 1997 Agreement (Crew Consist), that Crew Consist shall not have any bearing whatsoever on the administration of discipline procedures, or the amount of discipline assessed, in an effort to reduce the lists of "Protected Employees" and/or "Limited Rights Protected Employees".

If at any time you feel this commitment is not being honored, a prompt conference shall be afforded to review the matter and steps shall be taken to alleviate the complaint.

This understanding shall be incorporated into and is made a part of this Agreement to the same extent as if included therein.

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

Very truly yours,

C.H. Allen
General Manager

I agree:

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