

INDIANA HARBOR BELT RAILROAD COMP ANY 2721 - 161ST STREET HAMMOND, INDIANA 46323-1099

C. H. ALLEN
GENERAL MANAGER

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

May 7, 1997

Side Letter #7

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 that ARTICLE VI - TERMINATION OF SENIORITY as contained in the May 1, 1988 Agreement by and between IHB and UTU(y) shall not apply to Yardmen who have established a seniority date with this Carrier as a Yardman prior to June 1, 1997. Therefore, all Yardmen who have established a seniority date with the Carrier as a Yardman prior to June 1, 1997, shall not be terminated by virtue of ARTICLE VI as contained in the May 1, 1988 Agreement.

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

Very truly yours,

C.H. Allen General Manager

I agree:

D. Drennan, General Chairman, UTU(y)