

May 4, 2007

Ms. Mary Kay Conley, Dir. Labor Relations
Indiana Harbor Belt Railroad Co.
2721 161st Street
Hammond, IN 46323-1099

Re: BMWED/NCCC Tentative Agreement

Dear Ms. Conley:

This confirms our telephone conversation this date regarding the timing of employee cost-sharing payments under Article IV, Part B, Section 1(a) of the BMWED/NCCC Tentative Agreement. We agreed that if the tentative agreement is ratified, employee cost sharing payments and obligations for BMWED represented employees of the Carrier would begin effective July 1, 2007, or such other subsequent date when the plan design changes go into effect for the employees.

We also agreed that the provisions of Article I, Section 6 of the BMWED/NCCC tentative agreement do not apply to BMWED represented employees of the Carrier and they will not receive a "roll-in" of 47 cents per hour to their rates of pay effective January 1, 2007.

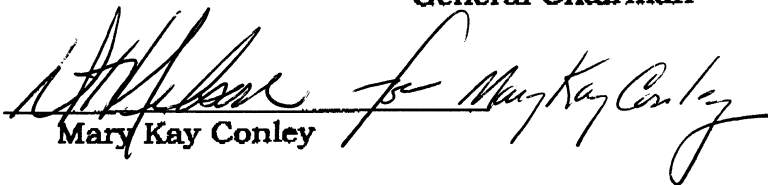
If the foregoing accurately expresses our understanding, please sign in the space provided below.

Sincerely,



Bradley A. Winter
General Chairman

I concur:


Mary Kay Conley