



Consolidated Rail System Federation

Affiliated with the AFL-CIO and CLC

Perry K. Geller Sr., General Chairman CRSF
58 Grande Lake Drive, Port Clinton, OH 43452
Phone (419) 734-9811 Fax (419) 734-7267

August 28, 2001

Mr. Joseph A. Markase
Manager of Labor Relations & Personnel
Indiana Harbor Belt Railroad Company
2721 - 161st Street
Hammond, IN 46323-1099

Re: Expansion of Gibson Yard, Hammond, IN

Dear Mr. Markase:

This letter refers to Mr. Montagano's contracting notice served to this Organization August 21, 2001 and our discussion here at my office on August 24, 2001 relative to the project identified above.

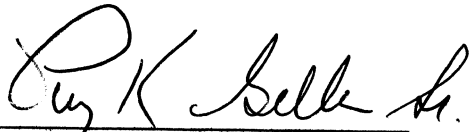
It was our understanding that the only work performed by the contractors would be the excavation and sub-grade to the expansion of tracks 14, 15, 16, 17, 18 and 19 to the east in Gibson Yard. The heavy earth moving equipment and operators for such equipment would be supplied by the contractor. It was further understood that the BMW forces would perform all other related work which includes and is not limited to the construction of tracks, panels, switches, turnouts, welding, burning, cutting, surfacing, lining, ballast unloading, regulating, equalizing, stabilizing, smoothing, final grading and all other associated recognized M/W duties to complete this project.

It was further understood and agreed that prior to the contractors performing any work all currently furloughed M/W employees on the IHB property would be offered recall timely to be sure they are available to return to service prior to the contractor commencing work. Also, all M/W forces on the IHB property would be provided full employment during the time the contractors are involved in this particular project. The anticipated time the contractor will be involved in this particular project will last approximately 30-60 days.

This Agreement is based on the particular circumstances that exist at this specific location on the IHB property. It is understood that this Agreement shall establish no precedent value in any other circumstances. Neither party shall refer to this Agreement in any arbitral, bargaining, or judicial form, except as it relates to the enforcement of this Agreement.

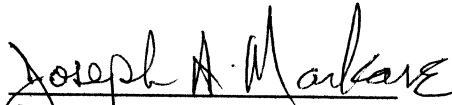
Signed on this 28th day of August 2001.

I agree:



Perry K. Geller Sr.
General Chairman CRSF, BMW

I agree:



Joseph A. Markase
Manager of Labor Relations & Personnel

c: R. McLean
N. Montagano

Agreements\GibsonExpansion01