



COLLECTIVE AGREEMENT

**Chemin de fer St-Laurent et Atlantique Québec (SLAQ)
(hereafter called the “company”)**

and

**Teamsters Canada Rail Conference (TCRC)
(hereafter called the “union”)**

**The English version will have precedence over the
French version**

January 1, 2018 to December 31, 2021

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Article 1

GENERAL PRINCIPLES

- 1.1 The Unions, employees and management of the Company undertake to cooperate in order to establish a railway service geared towards customer satisfaction as well as the safety of its personnel and of the public. The Unions and employees acknowledge that this agreement is different from collective agreements normally found in the railway business and understand and accept the flexibility required by shortline operations
- 1.2 The Company is committed to improving performance and will place emphasis on problem identification, prevention and resolution by using communication and problem-solving techniques designed to educate and increase the skills of all employees of the Company.
- 1.3 The employees and the Company wish to create a work environment such that the employees will be able to acquire new skills and ensure the upkeep of those already acquired in the railway industry.
- 1.4 The employees agree to contribute to the maintaining and development of their knowledge as well as to its sharing with others.
- 1.5 It is recognized by this Agreement to be the duty of the Company, of the Unions and of the employees to cooperate fully, individually and collectively, for the benefit and advancement of all of the stakeholders in this Agreement, as well as the customers and other stakeholders in the business of the Company.
- 1.6 In the event that legislation or regulations or decisions of any competent authority cause or result in the invalidation of any term or provision of this Agreement, such term or provision shall be void and of no effect and shall be severed from the Agreement; provided however, that all other terms and provisions of the Agreement shall remain in full force and effect.
- 1.7 The term "Union" shall be understood to mean the duly elected officers of the Union concerned. The terms "representative of the employee" or "employee's representative" shall be understood to mean the duly appointed representative of the Union concerned.
- 1.8 The term Company shall be understood to mean the St. Lawrence & Atlantic Railroad (Quebec) Inc. The term "representative of the Company" shall be understood to mean the officer of the Company who has been designated by the Company to handle a particular matter.
- 1.9 In the Agreement, words importing the singular shall include the plural and vice versa, where the context requires. The use of such words as "he" "his" and "him" as they appear in the Agreement are not intended to restrict the application of the Agreement or a particular rule to a particular sex but are used solely for the purpose of grammatical convenience and clarity. Accordingly, words importing the masculine gender shall include the feminine where the context requires.
- 1.10 This Agreement constitutes a collective agreement between the Company and the Union and shall be uniformly applied to all employees collectively, unless otherwise specifically provided for herein.
- 1.11 The present Agreement applies to employees working on trains operated by the Company. Nothing in this Agreement precludes the Company from granting running rights to other operators.

Article 2

UNION RECOGNITION

2.1 The Company recognizes the Teamsters Canada Rail Conference (“TCRC”) as the particular bargaining agent for those employees in the particular classification designated:

- A. Engineers: TCRC - (LE)
- B. Conductors: TCRC - (CTY)

Article 3

MANAGEMENT RIGHTS

3.1 The management of the business, the operations of the railway and the right to put in effect any and all measures and changes necessary to promote and effect an efficient business operation is vested in the Company subject to the provisions of this Agreement.

Article 4

DEDUCTION OF DUES

- 4.1 The Company shall, on the payroll for the pay period which contains the 10th day of each month, deduct from the wages of each bargaining unit employee within the scope of this Agreement an amount equal to the uniform monthly dues of the appropriate Union or such other authorized amounts as directed by the Union, subject to the exceptions contained in this Article. The Company shall remit the total amounts deducted to each Union once a month accompanied by a report showing the amounts deducted. The Company shall not be responsible, financially or otherwise, for any failure to make deductions or for making inaccurate or improper deductions or remittance. The dues will be paid to the relevant Union based on the employee’s assignment on the first day of the month.
- 4.2 The Company shall provide each new employee and each rehired employee a form letter outlining to the employee his responsibility regarding payment of union dues and initiation fees.
- 4.3 Intentionally left blank
- 4.4 The Company may pay dues to the applicable Union by way of electronic funds transfer (“EFT”) to a financial institution(s) designated by the Union. The Company’s liability for any and all amounts transferred shall terminate at such time as the EFT is confirmed by the Union’s financial institution. It is at the Company’s discretion as to the method of payment i.e. EFT or cheque.

Article 5

PROBATION

5.1 A new employee shall have a probationary period without seniority status for ninety (90) tours of duty or one hundred and eighty (180) cumulative days during which he is available to work after commencing work in the bargaining unit, whichever comes first, after which his seniority shall date back to his date of original hire. During an employee’s probationary period, the Company may terminate the employment at any time for just cause.

Article 6

SENIORITY

- 6.1 Operating employees will be hired or transferred as Conductors. Seniority shall mean an employee's length of continuous service with the Company. An employee shall maintain and accumulate seniority while he is in the employ of the Company after he has completed his probationary period. Unless otherwise expressed, seniority shall be applied on a classification basis. All seniority starts at day one (1) with the Company.
- 6.2 Seniority for employees (new hires) who enter service on the same date and in the same classification will be determined by lottery.
- 6.3 Once established, an employee's seniority shall be forfeited, and his employment shall be terminated under the following conditions:
 - I. If he voluntarily quits
 - II. If he is discharged and is not subsequently reinstated; or
 - III. If he fails to report for duty after a lay-off in accordance with the provisions of this Agreement
- 6.4 An employee who resigns from the service of the Company of his own accord shall forfeit his seniority rights and those rights shall not be reinstated. If he should be re-employed by the Company, his seniority rights shall date from the date and time he first performs service for the Company after reemployment.
- 6.5 Employees shall, unless otherwise provided in this Agreement or by subsequent mutual agreement between the Company and the Unions, hold and accumulate seniority in the particular classification in which they were hired.
- 6.6 For each seniority roster applicable hereunder, the Company's railroad system from St. Rosalie, Quebec, to Island Pond, Vermont, shall constitute a single seniority district over which employees shall exercise their seniority to positions, subject to the provisions provided herein.
- 6.7 Seniority rosters will be prepared by the Company. A copy will be promptly forwarded to the Union concerned each year and will be posted at the home terminals of the employees concerned as of January 30 of each calendar year. An employee will have ninety (90) days from the date on which the roster is posted to appeal, in writing, his roster date or status. A note will be placed in each roster stating the time limit of appeal.
- 6.8
 - A. All Company Officers currently on the seniority list and holding a management position as of the date of ratification will be permanently removed from the list one hundred and twenty (120) days following the date of ratification
 - B. Any TCRC member who accepts a position not governed by the present collective agreement after the date of ratification will have his/her name permanently removed from the TCRC seniority list 120 days subsequent to accepting such position
 - C. Any individual occupying an accommodated position not governed by the present collective agreement may, at the Union's discretion, apply to have his/her seniority protected. The decision will be at the Union's discretion and is not subject to appeal.

Article 7

LAYOFFS, RECALLS & WORKSHARE PROGRAM

7.1 The Company shall give employees as close to seven (7) days' notice as possible of lay-off. Layoffs and recalls will be based on seniority in the classification concerned. The Company will be establishing a Union/Management committee to study the possibility of a workshare program to avoid or reduce lay offs.

7.2

A. The company shall recall employees by the following:

1. By phone; failing this
2. By email; failing this
3. By written notice sent to the employee by registered mail to such employee's last known address.

Note: The company will notify the local chairman of the steps taken of the recall process.

B. in the application of this paragraph, it shall be the responsibility of the employee to provide the company with a current telephone number, email address, and postal address, in writing.

C. The employee shall advise the Company within five (5) days of such notice of recall of his intention to return to work and shall present himself for work within fifteen (15) days of giving notice of intention to return to work. Employees failing to give such notice or to present himself at work within the appropriate time limits will forfeit all seniority rights and their services will be dispensed with.

Article 8

CREW REQUIREMENTS

8.1 All assignments on the St. Lawrence & Atlantic Railroad Company - Quebec Inc. will be operated with one (1) Engineer and one (1) Conductor. It is recognized the provisions hereof are minimum requirements and are not intended to preclude the Company from using additional personnel as it may be deemed necessary.

8.2 The Company may call utility position(s) on a tour of duty basis. Such employee(s) will be called in conjunction with, and supplemental to, regular assigned crews.

Article 9

CALLING

9.1 The employee must have a telephone on which he can be reached. The number(s) must be given to the Company.

9.2 Employees will be called in proper turn as near as to two (2) hours prior to departure time as conditions will permit. Employees who are called for duty and left a message must acknowledge receipt of such message within fifteen (15) minutes. This should be done by returning the call to the employee who left the message. Failure to acknowledge the call message within fifteen (15) minutes may result in another employee being called to fill the position. An employee who books off sick, shall not be entitled to report back for active service until the expiration of twelve (12) hours. Any applicable work guarantees will be reduced for such a missed call.

- 9.3 Employees shall report as requested on their regular assignment unless notified to the contrary by an authorized Company representative.
- 9.4 In the event an employee reports to work on his regular shift without having been previously notified not to report as scheduled, he shall be given four (4) hours work within his classification or paid the equivalent.
- 9.5 An employee booking off should give as much notice as possible, but not less than four (4) hours. The four (4) hour minimum shall not apply in cases of sudden illness. When reporting back for work, the employee should report as early as possible, but must report at least eight (8) hours prior to the regular reporting time of his assignment.
- 9.6 Except as provided here above, it is the employee's responsibility to report to work at the start of his assignment, or he will be subject to discipline. An employee must report within fifteen (15) minutes after his starting time, otherwise another employee will be called to fill the assignment. No work or pay guarantees will be provided to the late employee after a replacement has been called. Should all members of the crew not be present at the starting time, work will begin with the available personnel and the position will be filled on a seniority basis. The tardy employee shall have no right to any time claim as result thereof.
- 9.7 Employees are required to provide their own transportation to get to work, unless covered by the deadheading provisions hereafter.

Article 10

DEADHEADING

- 10.1 Conductors and Engineers called to perform deadhead service shall be paid independently for such deadhead service trip at their straight time rate of pay. Deadheading is defined as: transporting to or from job assignments which start or end in a location other than the employee's regular reporting location.

The following deadhead time will be allowed:

- Between St. Rosalie and Richmond (62 Km) 1.5 hours
- Between St. Rosalie and Island Pond (177 Km) 3 hours
- Between Richmond and Island Pond (125 Km) 2 hours
- Between Richmond and Lennoxville (50Km) 1 hour

- 10.2 The foregoing applies to the reverse move as well.

Article 11

SPAREBOARD

- 11.1 Separate Engineers' and Conductors' spareboards shall be maintained with a sufficient number of employees to cover normal vacancies.
- 11.2 Spareboards will be maintained at Richmond and will carry such numbers of employees as in the judgment of management business may warrant, with one (1) employee assigned to each board. When necessary to increase the number of spareboard employees required, such additional positions shall be bulletined and awarded, however, vacancies generated by employees vacating a spareboard position shall be bulletined. Spareboard positions will be guaranteed forty (40) hours at the applicable Conductor or Engineer rate of pay. In addition to Richmond, other spareboard locations may be established at the Company's discretion.
- 11.3 The Company will designate a home terminal for each spareboard employee for the purpose of applying the provisions of this Agreement.
- 11.4 In the event that the Engineers' spareboard is exhausted; the first out available qualified spareboard Conductor will be called; and vice versa.

Note: Side letter / Appendix K - Application of Articles 17, 11.4, and 12.12(d) RE: Qualified Engineers without seniority.

- 11.5 If a spareboard employee is called to fill a vacancy, he will hold that position until the regularly assigned employee returns or until the job is assigned through the bidding procedures. Spareboard employees, if qualified to operate the assignment, will operate on a first in, first out basis for any and all vacancies, except as otherwise provided in this agreement. Employees assigned to the spare list shall be entitled to one (1) day off per week. This day shall be assigned by the Company. An employee may request a specific day, if in agreement with the Company. Upon reporting back, after having taken a day off, the employee's name shall be placed at the bottom of the spare list. Such rest period will not be included in any guarantee calculation or the computation of overtime.

Note: Spare Board employees shall have the ability to book between 4 hours and 36 hours of undisturbed earned time off under the following conditions:

- A. Obtained the 40-hour threshold

Note: 40-hour threshold shall be when the employee works a total of 40 hours of actual working time including overtime. Overtime hours shall be counted as straight time towards the threshold

- B. No other employee on their assigned spare board is under earned time off as per this article
- C. If another employee is under earned time off as per this article, the affected employee shall have the right to book between 4 hours and 36 hours of undisturbed earned time off upon completion of the next tour of duty provided availability under item (b)
- D. Earned time off must be booked in even hours with the Company upon completion of the tour of duty obtaining the 40-hour threshold or under item (c). A fifteen (15) minute window shall be allowed from the off-duty time of the employee.
- E. Employees on earned time off shall hold their turn on the applicable spare board.

- F. Employees passing up the opportunity to book earned time off at the 40-hour threshold shall not have the ability to book earned time off under this article until the next 40-hour threshold has been met.
- G. The 40-hour threshold under item (a) shall be reset after the employee has booked earned time off or has passed up the opportunity under this article.
- H. The Company shall not deny an employee booking earned time off under this article, except as outlined in item (b) herein.
- I. Employees shall be responsible for keeping their own record of each 40-hour threshold. The Company shall have the right to request, in writing, a copy of the employees record of hours when earned time off is booked herein.

11.6 No employee shall refuse a call to service. An employee may find a need to refuse a call for just cause; however, this need does not relieve an employee of the responsibility of protecting his job. An employee called for duty and not available will forfeit one (1) day's pay at the applicable rate of pay for the assignment called. An employee who accepts a call for duty on Trains 394/393 shall be entitled to two (2) days pay at the applicable rate of pay, one (1) day for Train 394, and one (1) day for Train 393. An employee called for a position on trains 394/393 and through freight service (or equivalent), who is unavailable for work, will have two (2) days at the applicable rate of pay deducted from his weekly guarantee; however, should he work on the day following his not being available, he would only forfeit one (1) basic day of guarantee payment. Employees are expected to be on call six (6) days per week, 24 hours per day.

11.7 An employee standing first out and available on the spareboard and who misses a call will be placed on the bottom of the spareboard and will have his guarantee reduced in accordance with the provisions here above.

Note: An employee returning to the spareboard from a flex day(s) will be placed at the bottom of the spareboard.

11.8 Intentionally left blank

11.9 A spareboard employee must notify the Company, when called, if he is ineligible because of insufficient rest, as required by law. The foregoing does not obviate the responsibility of the Company from keeping track of employee's hours on duty and from refraining from calling an employee with insufficient rest.

11.10 Spareboard employees will be called in proper turn as near to two (2) hours prior departure time of the assignment as conditions will permit.

11.11 When reductions are made at any spareboard location, they shall be made in the reverse order of seniority. An employee reduced from the spareboard at such location must, within twenty-four (24) hours, exercise his seniority rights or place himself on any other spareboard where there are spare employees with less seniority, providing he is qualified. When a vacancy occurs in the spareboard from which he was reduced, this employee will be recalled by seniority order. The employee must accept the call, or he will forfeit his recall rights.

11.12 Intentionally left blank

11.13 For employees transferring from one spareboard location to another, under either of the provisions of article 11.11 or 11.12, deadheading incidental to such transfers will be without expense to the Company.

- 11.14 Spareboard employees may be called to operate through any away-from-home terminal location(s), regardless of the employee on the spareboard at such location(s).
- 11.15 Spareboard employees called to cover runs or assignments at outlying locations will remain on same until returning to the terminal from which taken. They will take the conditions of the regular employee until returning to their home terminal, where they will revert to their spareboard.
- 11.16 When necessary for the company to cover two or more open positions it may become necessary to allow a non-spareboard employee to work a first out opening and require the first out employee on the spareboard to work a subsequent opening. In such case the affected spareboard employee will not have his or her earning reduced.
- Example:** Two (2) openings are 394 and 510. As 394 requires a return trip on 393, a spare employee first out for 510 could be held off to cover 394/393. Another available employee could cover 510. In this example, the spareboard employee would have two (2) days work instead of one shift on 510.
- 11.17 Should an employee be run-around due to no fault of his or her own, they will be entitled to a four (4) hours paid at the existing straight time rate over and above the weekly guarantee.
- 11.18 When two (2) employees return to the spareboard at the same time from any type of leave, the employee's previous off duty time will be used to determine their proper placement on the spareboard, commencing with the earliest off duty time.

Article 12

WORK ASSIGNMENT

- 12.1 An employee may be required to perform any and all related duties, including training, provided he is qualified, and that safety is not at risk. An employee who is required to train a non-qualified employee to work as a Conductor or to work as an Engineer will be entitled to a payment equal to one (1) hour of the current daily rate, of the classification so assigned. This payment shall not be used in the calculation of an employee's guarantee. At the completion of the tour of duty the employee performing the training shall submit a Company provided form which will document the progress of the employee being trained. Only one employee assigned to a crew will be entitled to training pay.
- 12.2 Basic day: Eight (8) or ten (10) hours will constitute a basic day. Time for the employees will commence at the time employees report for duty and will continue until the completion of such tour of duty.
- Note:** Basic days are based on the following:
- A. Five (5) days / Eight (8) hours assignments = Eight (8) hour basic day
 - B. Four (4) days / Ten (10) hours assignments = Ten (10) hour basic day
- 12.3 Reporting locations: Locations for going on or off duty will be dictated by the assignment and according to operational requirements. Any change in an employee reporting location will be subject to negotiations between the Union concerned and the Company.
- 12.4 Work week: The Company will establish work weeks in accordance with the present Article, as per operational requirements.

12.5 Local switch assignments will have a fixed starting time. The starting time of an assignment may be changed up to two (2) hours ahead or two (2) hours behind the regularly scheduled starting time, provided the Company has notified the employee a minimum of two (2) hours prior to the bulletined start time or the actual start time, whichever applies. In the event an assignment operates without such an employee as a result of a late notification, his weekly guarantee will not be affected.

Note: Regular assignments will not be used in work train service except in an emergency situation. Emergency situations are set out in Article 13.4

12.6 Employees may be required to work twelve (12) hours tours of duty depending on the requirements of the assignment.

12.7 Pool crews operating between Richmond and Island Pond will be scheduled so as to have two (2) consecutive days off per week.

12.8 Employees must be in the final destination terminal and off duty prior to the expiration of twelve (12) hours. If employees are not in and off duty at the objective terminal prior to the expiration of twelve (12) hours, such employees will be compensated one (1) hour for the first hour or any part thereof, and thereafter, on a quarter hour basis. Any payment made under the present paragraph will be over and above the weekly guarantee.

Note: The Company's intent is to be in and off duty prior to the twelve (12) hour and not to plan tours of duties based on twelve (12) hours.

12.9 Employees may trade shifts or tours of duty as long as it does not result in any additional cost for the Company. Such trade must be submitted to the Company for approval at least one (1) day in advance. The trade of shifts will have to take place within thirty (30) days.

12.10 Local switch assignments will be advertised for no more than five (5) days a week.

12.11 Employees who are called to work outside their regular assignment will be called in accordance with:

1. Once the spareboard(s) have been exhausted, Conductor's vacancies open on a tour of duty basis will be filled in accordance with the following:
 - A. Conductors assigned as such will indicate their desire to be called for extra shifts at the Change of Time, in seniority standing, or at other times, based on the first (1) in / first (1) out rule, in relative standing to employees already on the list.
 - B. A list of conductors desiring to be called for extra work will be developed at the terminal by way of the Change of Card applications.
 - C. Conductors assigned as such and who have indicated their desire to be called for extra shifts will have preference over other operating employees in the filling of Conductors vacancies on a tour of duty basis.
 - D. If no Conductors are available on the availability list the first (1) available qualified Conductor on the Engineer's availability list will be called.

Note: Side letter / Appendix K: Application of Articles 17, 11.4, and 12.12(d) RE: Qualified Engineers without seniority.

2. Conductors will be called from the extra work list on a rotational basis beginning with the senior Conductor at each Change of Card, followed by the first (1) in / first (1) out rule, for employees who have been added to the list, after a Change of Card.
3. A Conductor unable to protect a call for extra work due to being on duty, on rest, or by accepting such call would miss their regular assignment will retain their position on the extra work list.
4. Conductors will be called at least two (2) hours in advance of the time required to report for duty and will be given a reasonable opportunity to respond. It is recognized that some vacancies may occur with little or no advance notice.
5. Conductors on the extra work list who protect work at other than their own terminal will be compensated for travel in accordance with the provisions of the collective agreement.

12.12 Once the spareboard(s) have been exhausted, Locomotive Engineer's vacancies open on a tour of duty basis will be filled in accordance with the following:

- A. Engineers assigned as such will indicate their desire to be called for extra shifts at the Change of Time, in seniority standing, or at other times based on the first (1) in / first (1) out rule, in relative standing to employees already on the list.
 - B. A list of Engineers desiring to be called for extra work will be developed at the terminal by way of the Change of Card applications.
 - C. Engineers assigned as such and who have indicated their desire to be called for extra shifts will have preference over other operating employees in the filling of Engineers vacancies on a tour of duty basis.
 - D. If no Engineers are available on the availability list the 1st available qualified Engineers on the Conductor's availability list will be called.
1. Engineers will be called from the extra work list on a rotational basis beginning with the senior Locomotive Engineer at each Change of Card, followed by the first (1) in/ first (1) out rule, for employees who have been added to the list, after a Change of Card.
 2. An Engineer unable to protect a call for extra work due to being on duty, on rest, or by accepting such call would miss their regular assignment will retain their position on the extra work list.
 3. Engineers will be called at least two (2) hours in advance of the time required to report for duty and will be given a reasonable opportunity to respond. It is recognized that some vacancies may occur with little or no advance notice.
 4. Engineers on the extra work list who protect work at other than their own terminal will be compensated for travel in accordance with the provisions of the collective agreement.

Article 13

GUARANTEES AND REST

- 13.1 Employees governed by this Agreement shall be guaranteed a minimum of forty (40) hours a week. All basic day hours are credited towards the weekly forty (40) hour guarantee.
- 13.2 Employees who miss calls or make themselves unavailable will have their guarantee for the week reduced by a minimum of a basic day for each tour of duty missed.
- 13.3 Employees will be allowed to book personal rest time as follows, without affecting their weekly guarantee:
- A. At the home terminal, personal rest may be booked up to 12 hours inclusive of calling time.
 - B. At an away-from-home terminal, personal rest may be booked up to ten (10) hours inclusive of one (1) hour calling time.
 - C. Intentionally left blank
 - D. Employees manning work trains, rest may be booked as per the Regulation on Hours of Service.
- 13.4 Emergency means a sudden or unforeseen situation where injury or harm has been sustained or could reasonably be sustained to employee(s), passenger(s), the public or the environment such as those involving casualty or unavoidable accident, an Act of God, severe storms, major earthquakes, washouts, derailments or where there has been a delay resulting from a cause not known to the railway company at the time the employees leave the terminal and which could not have been foreseen.

Article 14

BULLETINING OF ASSIGNMENTS

- 14.1 There will be two (2) Changes of Time per year, one in Spring, occurring on the second (2nd) Sunday of April and one in Fall, occurring on the second (2nd) Sunday of October. At a Change of Time, all district assignments will be bulletined to the home terminal for at least seven (7) days prior to the effective date and will be filled by order of seniority of the qualified applicants. If there are insufficient bids, the position will be filled by the qualified employee, in reverse seniority order.
- 14.2 All new positions or vacancies that the Company knows will remain for seven (7) calendar days or more, will be bulletined for five (5) days and filled with the senior qualified applicant. The application must be in writing. If there is no applicant, the junior available qualified employee on the relevant spareboard will be assigned to the job. Such assigned employee may request to be relieved from such assignment if a more junior employee becomes available on the relevant spareboard.

Note: In the application of Article 14.2, subsequent vacancies that shall be generated by the awarding of these bulletins, shall be bulletined and awarded simultaneously with the bulletining and awarding of all new positions or vacancies. Employees shall indicate their bid preference, in selective order, on the prescribed form, which shall reference all new positions or vacancies being advertised.

- 14.3 An employee who was absent during the entire bulletining period, may exercise his seniority on said bulletin within twenty-four (24) hours following his return to active service.

Note 1: The intent of this article is to allow free flow of seniority to all employees based on qualifications. Employees working as conductors may exercise their seniority to work as engineers, if qualified and senior to other applicants. Employee working as a locomotive engineer may exercise seniority to work as a conductor, if qualified and senior, provided the Company has sufficient junior employees qualified to work as locomotive engineers.

Note 2: Employee may exercise to any position advertised as provided for in this article but cannot return to their own vacated assignment until there is a “change of card” or the employee has acquired a right of displacement.

Note 3: In the application of this article, senior employees will not be subject to layoff.

Article 15

LEARNING THE ROAD

- 15.1 A Locomotive Engineer learning a line with which he is not familiar may be required to undergo initial observation and demonstration tours of duty under the direction and guidance of a qualified Locomotive Engineer. The Engineer will be provided with a minimum of three (3) trips paid in accordance with the present agreement. A Conductor learning a line with which he is not familiar will also be provided a minimum of three (3) trips paid in accordance with the present agreement.
- 15.2 The minimum number of trips required hereunder may be reduced taking into consideration the territory, distance and operation requirements the employee is not familiar with.
- 15.3 All required training shall be bulletined and assigned in seniority order

Article 16

PILOTING

- 16.1 Employees running over a line with which they are not familiar may request a pilot who is not a member of the crew and who is in the same classification for which employee has been called, providing one is available and qualified. The pilot will be paid at the same rate as the employee called.

Article 17

PROMOTION TO ENGINEER

- 17.1 The Company shall determine the need for additional qualified Locomotive Engineers but will always maintain a minimum of three (3) qualified Locomotive Engineers, not permanently working as such.
- 17.2 The Company will bulletin training courses at least thirty (30) days in advance when there is a need to increase the number of qualified Locomotive Engineers. Conductors will be given the opportunity to bid these courses by written application to the bulletin. Positions will be awarded based on the employee's relative seniority standing on the Conductor's seniority roster.
- Note:** Candidates for promotion to Locomotive Engineer will have to go through an interview process.
- 17.3 Conductors who do not bid the course at their first opportunity but bid subsequent courses, shall rank junior to other employees as an Engineer, who bid and qualified at their first opportunity.
- 17.4 Employees absent for the entire bulleting period will be provided the opportunity to make application to any bids which they may have missed. If as a result they were not able to attend the course in their proper turn, they will be qualified on the next available course, without their seniority being affected.
- 17.5 If there are insufficient bids to qualify as Engineer, Conductors will be assigned in reverse seniority standing, provided the employee has a minimum of two (2) years' experience, as an operating employee on the property.
- 17.6 All employees having attained five (5) years of service may have been given the opportunity become qualified as locomotive engineers.

Note: Side letter / Appendix K: Application of Articles 17, 11.4, and 12.12(d) RE: Qualified Engineers without seniority

Article 18

RULES EXAMINATION

- 18.1 An employee who fails to pass a required examination will not be permitted to work until he becomes so qualified. Any costs incurred to retake a failed examination will be borne by the employee.

Article 19

DISCIPLINE

- 19.1 Subject to the rights granted in Article 3 (Management Rights) of this Agreement, the Company shall not discipline an employee without just cause and without a fair and impartial hearing as set out in this Article. An employee may be held out of service with pay pending an investigation for alleged violations of a serious nature. Both parties will endeavour to proceed with such cases in an expedited manner. When a request for an extension in the time limit is made, concurrence will not be unreasonably withheld.
- 19.2 Prior to a fair and impartial hearing, the parties may agree to arrange for an informal conference to discuss the alleged offence. Such informal conference may be either in person or by telephone. If such informal conference results in a resolution agreeable to both parties, the resolution will be reduced to writing in the form of a waiver, and no further action will be taken.
- 19.3 The employee's supervisor or his delegate shall conduct the hearing in an informal manner. Any discipline assessed shall be issued within fifteen (15) calendar days from the date of the informal investigation. The Union shall notify the Company, in writing, within fifteen (15) calendar days if in disagreement of the discipline assessed. Within fifteen (15) calendar days of the notice of such disagreement the following shall apply:
- A. The Company shall notify the employee in writing of the incident(s) for which discipline is or may be imposed. The notice shall concisely describe the nature of the incident(s), giving the time, date, and place of the occurrence of the incident(s), noting the date and time of the formal hearing, and informing the employee that he has the right to Union representation and to bring witnesses.
 - B. The hearing will be scheduled within fifteen (15) days of the date of notice and shall be presided over by an officer of the Company. Employees shall be entitled to have an accredited Local Union Representative to appear with them at investigations.
 - C. The Company shall provide the employee and the Union a list of witnesses it intends to call at the hearing no less than forty-eight (48) hours in advance of the hearing. The employee shall also supply the Company with a list of witnesses he intends to call at the hearing forty-eight (48) hours in advance of the hearing. These limitations may only be changed by the mutual agreement between the Union and the Company or if either side is prejudiced by such restrictions as it relates to the investigation.
- 19.4 A decision will be rendered in no longer than fifteen (15) days after the hearing. Such decision shall be in writing and served on the operating employee and the Union representative or his delegate. This time limitation may only be changed by mutual agreement between the Union and the Company. Once a decision has been rendered, the Company may implement the decision.
- 19.5 If the Union disagrees with the decision rendered, it may progress a grievance at the Step 2 level of the Grievance and Arbitration procedure in article 20. This time limitation may only be changed by mutual agreement between the Union and the Company.

Article 20

GRIEVANCE PROCEDURE

- 20.1 If any differences arise between the Company and the Union representing an operating employee pertaining to the meaning, interpretation or application of this Agreement it shall be handled in the following manner:
- 20.2 **Step 1:** The operating employee or the Union's Local representative shall present a written detailed grievance to his immediate supervisor within thirty (30) calendar days of the dispute. The supervisor must respond in writing within thirty (30) days stating the supervisor's decision regarding the grievance. These time limits may be extended only by mutual agreement of the Company and the Local Union representative.
- 20.3 **Step 2:** A grievance not resolved in Step 1 may be progressed by the operating employee's designated representative to the Company General Manager in writing within thirty (30) days of receipt by the operating employee or of the supervisor's written decision requesting that the supervisor's decision be reviewed by the General Manager or his delegate. A written decision must be rendered by the General Manager or his delegate within thirty (30) days of receipt by the General Manager of the request for review. These time limits may be extended only by mutual agreement of the Union and the Company.
- 20.4 **Step 3:** A grievance not resolved in Step 2 may be progressed by the General Chairperson to the Vice-President, Human Resources in writing within thirty (30) days of receipt by the local chairperson or of the General Manager's written decision. A written decision must be rendered by the Vice-President, Human Resources or his delegate within thirty (30) days of receipt by the General Chairperson. These time limits may be extended only by mutual agreement of the Union and the Company.

A grievance not resolved at step 3 may be reviewed within thirty (30) days in a joint conference between the General Chairperson and the Vice-President Human Resources. The parties recognize the right of the Unions to file a policy grievance commencing at step 3 of the grievance procedure.

Note: The Company must respond to the Union's grievance particulars at each Step of the Grievance procedure.

- 20.5 The settlement of a grievance shall not, under any circumstances, involve retroactive pay beyond thirty (30) days prior to the date the grievance was submitted at Step 1 of the grievance procedure.
- 20.6 Any grievance not advanced by the operating employee or his designated Union representative within the prescribed time limits shall be deemed to be abandoned. Where a written decision is not rendered by the appropriate officer of the Company within the prescribed time limits, the grievance will be allowed without precedent or prejudice. Any grievance abandoned by the Union will not be considered as a precedent or waiver of the contention of the Union as to similar cases.
- 20.7
- A. If a grievance concerning the interpretation or alleged violation of this Agreement has been processed in the procedural manner through each of the steps outlined in Article 20, or an appeal against the discipline imposed has been processed in the procedural manner and through each of the steps outlined in Article 20 and still has not been settled or disposed of, it may be referred to Arbitration by any of the signatories to this Agreement for final and binding settlement without a work stoppage. Proceedings for submitting the grievance to Arbitration must be instituted by the Union or the Company within thirty (30) days of the General Managers decision. No dispute may be submitted to Arbitration until it has been processed through the grievance procedures set forth in Article 19 or Article 20 of this Agreement.

- B. The grievance shall be referred to an Arbitrator who is mutually acceptable to the applicable parties. The cost of the Arbitrator shall be shared on an equal basis between the Union and the Company.
 - C. As soon as the Arbitrator is selected, the applicable parties will contact the Arbitrator to set a hearing date. Prior to the hearing or at such other time as the parties may agree, the Company and the Union shall submit a joint submission of the issues containing a statement of the facts and a statement of the respective positions of the parties. If the parties cannot agree on the contents of the joint submission, each party may submit its separate statement of position.
 - D. At the hearing the parties may each present their case verbally or in writing to the Arbitrator. The Arbitrator shall consider only the dispute or question presented to him in the notice and the decision shall not add to, subtract from, modify, rescind, or disregard any provisions of this Agreement. The Arbitrator's decision shall be final and binding.
 - E. If Arbitration is not utilized, the General Manager's decision shall be final and binding. In that case, the matter will be closed but will not be considered as a precedent or waiver of the contentions of the Union as to similar cases.
- 20.8 Notwithstanding the grievance procedure set forth above, when there is a question regarding time to be paid, any portion not in dispute will be paid and the Company will notify the operating employee within thirty (30) days from its receipt of the time claim whether it is allowing or disallowing the claim. If the Company disallow the claim, it must state its reason(s) in writing for so doing. Any claim made pursuant to this Article not responded to by the company within the specified limits shall be deemed approved and shall be paid by the Company. The decision to disallow a time claim is immediately subject to the provisions of Step 2 of the grievance procedure.

Article 21

LEAVE OF ABSENCE

- 21.1 When the requirements of the Company will permit, employees, on request, will be granted a personal leave of absence for a limited time.
- 21.2 Leave of absence under this rule shall not be granted for the purpose of engaging in work outside the Company except in cases involving sickness or other exceptional circumstances, when made the subject of mutual agreement between the proper officers of the Company and the General Chairman of the Union.
- 21.3 Any employee engaging in other employment while on leave, except under mutual agreement between the Company and the Union, shall be considered to have voluntarily resigned.
- 21.4 The Company will not discriminate against any employees who, as authorized Union representatives, represent other employees and will grant them unpaid leave of absence when required to perform Union business. Union representatives will perform Teamsters Canada Rail Conference Union business at a time and in a fashion, which is the least likely to affect the operations.

Article 22

WAGES & OVERTIME

22.1 Employees will be paid on an hourly basis, as follows:

Classification	January 1, 2018	January 1, 2019	January 1, 2020	January 1, 2021
Locomotive Engineer	\$37.56	\$38.31	\$39.07	\$39.86
Conductor	\$35.19	\$35.89	\$36.61	\$37.34

22.2 **Overtime.** An employee will receive one and one-half times his normal hourly rate for every hour the employee works over forty (40) hours in a week. Overtime will be calculated on a quarter hour basis. A week is a seven day period starting Sunday (Midnight, 00:01) through Saturday 23:59. Employees who do not perform service on the Statutory Holidays identified in Article 25 — Statutory Holidays, of this Agreement, but qualify and receive holiday pay for such holidays, will have the hourly equivalent for holiday pay included in the forty (40) hour week for the computation of overtime.

22.3 **New Employees:** Newly hired employees of the Company shall commence employment at eighty percent (80%) of the hourly rate set forth here above and shall receive an additional five percent (5%) of the hourly rate for each 6 months of cumulated compensated service in a particular position so that the employee shall receive 100% of the applicable hourly rate after twenty-four (24) months of additional compensation service. The Company has the flexibility to start new employees at a higher percentage based on their prior employment history. Newly hired employees who are qualified as an Engineer or Conductor when hired, will start at 100%.

22.4 An employee who is qualified for and who actually works temporarily in a higher paid position shall receive the hourly wage of that position. An employee who actually works temporarily in a lower paid position shall not have his salary reduced.

Note 1: Employees hired subsequent to the ratification (November 30, 2014) of this memorandum, will be paid at the rate of the position they are working. Employees currently employed will fall under a “grandfather” clause and continue to be paid the higher rate.

Note 2: In the application of this article, employees who choose, on their own accord, to demote themselves to a permanent or temporary vacancy, shall be paid the rate of pay of the classification of such assignment.

Article 23

PAYCYCLE

23.1 All employees shall be paid bi-weekly. The Company may change the pay cycle by mutual agreement.

23.2 Employees may be paid by electronic funds transfer or “Cheque”, whichever method is determined by the Company. The employee may be required to choose an institution which will not charge costs of such transfer or he will bear such costs.

Article 24

VACATION

- 241 Vacations shall be granted to employees based on continuous service with the Company.
- 242 An employee shall be paid for vacation based on his wages earned during the preceding reference year.
- 243 Vacations will be granted on continuous employment as of January 1:
- A. Employees with less than a year of service will be entitled to one and half (1 1/2) days of vacation for each full month of service since hire, up to a maximum of 3 calendar weeks: His vacation will be paid at 6% of his wages earned during the preceding reference year.
 - B. Employees with one-year (1) or more of service will be entitled to: Two (2) weeks of vacation paid at 4%
 - C. Employees with four years (4) or more of service will be entitled to: Three (3) weeks of vacation paid at 6%
 - D. Employees with eight years (8) or more of service will be entitled to: Four (4) weeks of vacation paid at 8%
 - E. Employees with sixteen years (16) or more of service will be entitled to: Five (5) weeks of vacation paid at 10%
 - F. Employees with twenty-nine years (29) or more of service will be entitled to: Six (6) weeks of vacation paid at 12%

Note: In the application of item F, the six (6) weeks of vacation paid at 12%, recognition for the years of service for former CN employees who hired prior to December 1st, 1998, shall be utilized in the calculation of annual vacation entitlement.

- 244 Requests for vacations shall be made prior to December 15th for vacations in the following year. Vacations may be taken all at one time or in weekly increments. Vacation will be allotted in order of seniority except that where vacations are split, second periods of vacation will not be allotted until all junior employees have also been allotted their first choice of vacation period (where vacations are split) or their entire allotment where no split is made; third choices of vacation dates will be similarly allotted.

Note: In the application of article 24.4, an employee's first choice will not exceed a two-week allotment during the period that includes the last two weeks of June through to and including the first week of September as well as the last two weeks of December.

- 245 Vacations shall be granted by seniority, subject to the requirements of the operations. Once the vacation schedule is completed, changes will be allowed only with the approval of the Company.
- 246 For purposes of vacation entitlement, periods of layoffs will not be deducted from continuous service; however, periods of leaves of absence will be deducted and the entitlement will be prorated on the basis of days worked as a percentage of total days of work in that reference year.
- 247 A laid-off employee will be granted vacation in the year of his return. In the event the employee does not return to service in the following year, he will be compensated his vacation upon written request to his immediate supervisor and his Union representative.

- 248 If an employee's employment status is terminated for any reason whatsoever, including but not limited to retirement, resignation, discharge or failure to return after layoff, he shall, at the time of such termination, be granted full vacation pay remaining. If an employee thus entitled to vacation or vacation pay shall die, the vacation pay earned and not received shall be paid to such beneficiary as may have been designated, or in the absence of such designation, the surviving spouse or children or his estate, in that order of preference.
- 249 Vacations shall not be accumulated or carried over. The vacation reference year shall be from January 1 through December 31.
- 24.10 Employees, who due to sickness or injury are unable to take or complete their vacation, may, with the Company's concurrence, have uncompleted vacation carried over to the next year. Failing agreement, the company shall pay the employee the vacation allowance due.

Article 25

STATUTORY HOLIDAYS

25.1 The following days shall be recognized as statutory holidays:

- New Year's Day January 1
- St-Jean-Baptiste June 24
- Canada Day July 1
- Labour Day 1st Monday in September
- Thanksgiving Day 2nd Monday in October
- Christmas Day December 25

One (1) - Floating day by agreement between the employee and the Company. When an employee uses a Floating Day, its duration, shall be calculated as one (1) calendar day.

Note: In lieu of a statutory holiday for Good Friday, Journée des Patriotes and Civic Holiday, employees will be granted 1 extra week of vacation.

25.2 Employees who qualify shall be entitled to statutory holiday pay, a maximum of one (1) basic day straight time pay. Vacation pay is considered wages under the present clause.

NOT WORKING ON THE GENERAL HOLIDAY

25.3

- A. The Company will give employees as much advance notice as possible, with not less than one (1) day of notice, if employees are not required to work on a general holiday.
- B. Assigned Employees who are cancelled on the General Holiday shall be granted a holiday with pay equivalent to a basic day (assignment worked the day before the holiday) and will have the General Holiday payment used to make up the guarantee payment.
- C. Employees on rest days shall be granted a holiday with pay equivalent to a basic day (assignment worked the day before the holiday) and on each of the General Holidays over and above the guarantee payment.

WORKING ON THE GENERAL HOLIDAY

25.4

- A. Employees who commence a shift or tour of duty between 0001 and 2359 on a General Holiday will be paid at time and one half(1½) their regular rate of wages for all time worked for the first shift or tour of duty worked on the General Holiday plus the Holiday payment equivalent to the assignment being worked under Article 25.2. The General Holiday payment shall be used to make up the guarantee.
- B. All overtime paid on a General Holiday, as a result of the General Holiday, is not to be used to make up the guarantee payment.

25.5 Intentionally left blank

25.6 If a holiday falls within an employee (s) vacation period, the holiday shall not be considered as part of the vacation. The employee may take a substitute day off at a time mutually agreeable to the employee and supervisor, paid in accordance with 25.2.

25.7 In order to qualify for the holiday pay, the employee must have been employed for a minimum of 30 days.

Article 26

MEALS, ACCOMMODATIONS, MILEAGE AND EXPENSES

- 26.1 Employees are entitled to a paid meal break of thirty (30) minutes. Meals are paid at straight time. Employees are expected to remain on the Company premises during their paid mealtime, unless authorized by the Company to do otherwise. Employees who are on duty for more than ten (10) hours are entitled to a second meal break of thirty (30) minutes.
- 26.2 Trains will not be delayed, nor train operations disrupted solely as a result of stopping the train to eat. Employees will report for work suitably prepared for a tour of duty recognizing that the opportunity to take a meal will be governed by the practicality of train operations.
- 26.3 Employees who are held at an away-from-home terminal will be paid a meal allowance of twenty dollars (CAN 25.00\$) after the expiration of twelve (12) hours during which such employees are held away: Such employees will be entitled to an additional meal allowance of twenty dollars (20.00\$) for each subsequent eight (8) hour period during which they are held away, up to a maximum of two (2) meal allowances per twenty-four (24) hour period.
- 26.4 The Company will also arrange suitable single occupancy accommodation at its expense where needed for road crews. The accommodation to be provided by the Company will be reviewed by the Company and the Unions to determine suitability. However, where a difference of opinion arises on the suitability of accommodation, the Company shall have the final decision.
- 26.5 Employees who are using their own vehicle at the request of the company will be reimburse at the same rate specified by the Canada Revenue Agency for the Automobile Allowance rate for the specific year for the kilometer traveled via the most direct route.

- 26.6 Locomotive(s) will be dispatched in a clean condition and will be supplied with hot plate (or equivalent), fridge, toilet in working conditions and drinking water. Seats should be in good condition. The Company will have one locomotive in the consist equipped with a working microwave oven, which shall be the lead locomotive in the consist, unless the lead locomotive becomes defective en route, and/or, is deemed inoperative, by the locomotive engineman, during a tour of duty.
- 26.7 The Company will install plugins for the use of all transportation employees who use their own automobile for transportation and ensure there is a sufficient number available.

Article 27

PROTECTIVE EQUIPMENT AND TOOLS

- 27.1 Many duties require that the employee wear personal protective equipment. The Company shall provide the necessary hard-hats, safety vests, hearing protection and safety glasses. Employees failing to wear and use proper safety equipment will be reported to their supervisor and may be disciplined.
- 27.2 The Company will supply all hand tools.
- 27.3 Safety Footwear
- A. Employees in other than an office environment must wear Canada Standards Association (CSA Z195 Grade One, Green Triangle) or US ANSIZ41-1991 approved safety footwear in good condition, meeting the specified minimum requirements.
 - B. Footwear purchased by employees for work in these categories must meet the minimum requirements set out below. Where a safety boot is required, it must be laced and laces must be tied securely to provide adequate support for the ankle and have a minimum six-inch high upper and a 5/8-inch heel measured from the sole.
 - C. The company will provide an annual contribution for approved footwear and proper work gloves of four hundred dollars (\$400) payable in the third (3rd) pay period of each calendar year.
 - D. Intentionally left blank
 - E. The reimbursement policy applies to permanent employees and to new employees having completed an equivalent of six (6) month's work.

Article 28

BEREAVEMENT LEAVE

- 28.1 Bereavement leave is designed to allow an employee time off when a death occurs in the immediate family. All operating employees shall, due to the death of operating employees' grandparent, spouse's grandparent, step parent, mother in law, father in Law, brother, sister, step brother or step sister, be entitled to three (3) consecutive calendar days bereavement leave. Such employee shall be compensated the bulletined hours of the assignment for each tour of duty lost within such three (3) consecutive calendar days. The Company may require acceptable proof of the death.
- 28.2 All operating employees shall, due to the death of the operating employee's parent, spouse, child or stepchild, be entitled to five (5) consecutive calendar days bereavement leave. Such operating employee will be compensated the bulletined hours of the assignment for each tour of duty lost within such five (5) calendar days.
- 28.3 If an operating employee is bereaved while on vacation, bereavement leave days shall not be included as part of the vacation period. The vacation days not taken shall be rescheduled through mutual agreement between the Company and the operating employee.
- 28.4 For the purposes of this Article, eligible spouse is defined as follows: the person who is legally married to the employee, provided that if there is no legally married spouse that is eligible it means the person that qualifies as a spouse under the definition of that word in Article 2(1) of the Canadian 1-Human Rights Benefits Regulations, so long as such person is residing with the employee.

Article 29

JURY DUTY AND WITNESS

- 29.1 Employees summoned for jury duty and required to lose time from their assignment as a result thereof, shall be paid for actual time lost with a maximum of one (1) basic day at straight time pay for each work day he has lost, less the amount allowed for jury service excepting allowances paid by the court for meals, lodging or transportation, subject to the following qualification requirements and limitations.
- 29.2 The employee shall furnish the Company with a statement from the court confirming all jury allowances paid and the days on which jury duty was performed;
- 29.3 The number of days for which jury duty shall be paid is limited to a maximum of sixty (60) working days of compensation in any calendar year; and
- 29.4 No jury duty payment shall be allowed for any day or days for which the employee is scheduled and receives vacation pay or statutory holiday pay.
- 29.5 When attending Court as a witness for the Company, or a coroner's inquest in cases where the Company is involved, or subpoenaed by the Crown in cases where the Company is involved, employees will receive pay for actual time lost with a maximum of one (1) basic day at straight time pay for each day of work actually lost. The Company will be entitled to a certificate for witness fees in all cases.

Article 30

EMPLOYEE HEALTH AND PHYSICAL FITNESS

- 30.1 The nature of the Company's work requires that employees are medically fit, ready and able to work. A safety critical exam assessment will be arranged and paid for by the Company for those employees deemed to be in positions where the safety of themselves or others is dependent on their ability to perceive conditions properly and to react as required.
- 30.2 An employee required to take a Company directed medical examination during off-duty hours shall be paid a minimum of four hours at regular rate or, if he spends more than four hours, a full basic day pay; both at straight time pay.
- 30.3 In situations where an employee cannot take a Company directed medical examination on their off-duty time and loses time as a result, such employee will be paid for not less than the employee would have earned for their regular shift.
- Note:** it is understood that for the purpose of this article, the employees shall schedule company directed medical exams on their off-duty time when ever possible.
- 30.4 Employees required to travel away from their town or city to undergo medical examination will be allowed actual reasonable expenses. Employees required to lose a shift when required to travel for the purpose of Company directed medical examination to a place outside the employee's town or city where such examination is to be conducted, will be paid a basic day each day or actual lost time.
- 30.5 To enhance the welfare of the employees, the Company will reimburse the cost of a fitness club membership or other physical fitness enhancement (i.e. hockey, tennis, etc...) to a maximum of four hundred (400.00\$) a year to operating employees upon presentation of a receipt.

Article 31

BENEFITS PLAN

- 31.1 The Company recognizes the value of insurance plans and agrees to provide supplemental benefits thereof to full-time employees covered by this Agreement. The Company will pay 80% of the premiums and the employee will pay 20% of the premiums through payroll deduction. Benefits will be as described in Appendix "D".
- 31.2 Except while on maternity leave, employees must pay when due the entire premiums payable under the plans and programs while on an unpaid leave of absence in excess of one month.
- 31.3 The Company agrees to obtain from an insurance company or companies a supplemental policy or policies in effect for the term of this agreement. The Company may elect to select another insurer in lieu of the current one, providing there is no reductions in benefits, and the employees are notified at least thirty (30) days in advance.
- 31.4 The Company is deemed to have discharged its obligations under the present Article once it has obtained from an insurance company or companies a policy or policies and has paid those premiums it has agreed to pay. The Unions expressly acknowledge that the Company is not liable to make any payments to an employee or employees or any other person claiming any benefits under any benefit plan.

Article 32

MATERIAL CHANGES

32.1 Prior to the introduction of closures of home stations, the relocation of regular assigned work, the abolishment of regular assigned work or technological changes initiated solely by the Company having a significant adverse effect on employees the Company will:

- A. Give at least 90 days advance notice to the affect union of any such proposed change, with a full description thereof and details as to the anticipated changes in working conditions; and
- B. Negotiate with the union measures to minimize any significant adverse effects of the proposed change on employees but such measures shall not include changes in rates of pay.
- C. While not necessarily limited thereto, the matters considered negotiable may include the following:
 - I. Training and transfer opportunities
 - II. Severance opportunities
 - III. Relocation benefits
 - IV. Sale of house
 - V. Appraisal procedure
 - VI. Lump sum payments
 - VII. Work distribution

The negotiations referred to in paragraph 32.1 shall commence within 20 days of the date of the notice specified in the applicable paragraph.

- D. If the negotiations do not result in mutual agreement within sixty (60) calendar days of their commencement, the issue or issues remaining in dispute may within twenty (20) days of the cessation of negotiations be referred by either party to a mutually acceptable arbitrator for resolution and whose decision shall be final and binding upon both parties.
- E. The request for arbitration shall be made in writing by either party to the other. If the parties cannot agree on the selection of an arbitrator within seven (7) calendar days of the request for arbitration, the Minister of Training and Employment Development shall be requested by the parties or either of them to appoint an arbitrator.
- F. The parties will prepare a joint statement of the issue or issues remaining in dispute to be submitted to the arbitrator. The arbitrator shall hear the dispute within thirty (30) calendar days from the date of appointment and shall render the decision together with reasons therefore in writing within thirty (30) calendar days of the completion of the hearing,
- G. In the event that the parties cannot agree upon a joint statement of issue or issues remaining in dispute, either party desiring arbitration may submit a separate statement and proceed to a hearing and the other party will be se informed.
- H. At the hearing before arbitration, argument may be presented orally or in writing, and each party may call such witnesses as it deems necessary.
- I. Time limits specified in the article may be extended by mutual agreement.
- J. The decision of the arbitrator shall be confined to the issue or issues placed before him or her and shall also be limited to the matters described in 32.1 (c) for minimizing the significantly adverse effects of the proposed change upon employees who are directly affected thereby. The changes proposed by the Company which can be subject to negotiation and article do not include changes

brought about by normal application of the collective agreement, changes resulting from a decline in business activity, fluctuations in traffic, or other normal changes inherent in the nature of the work in which employees are engaged.

- 32.2 The terms, conditions and benefits provided for in Article 2.1 will not apply to employees who were occupying a management position 30 days prior to the date such notice was served on the Union.

Article 33

PRINTING OF THE COLLECTIVE AGREEMENT

- 33.1 The Company undertakes the responsibility for the translation and printing of collective agreement as may be required from time to time and will absorb the cost of printing as well as the cost of delivery of sufficient copies to the General Chairman. The Company will provide a copy of the Agreement in a concise bound booklet format, with the French translation on one side, and the English translation on the other.

Note: The Company will work conjointly with the union to distribute the newly written collective agreement within sixty (60) days after ratification.

Article 34

INTERPRETATION OF THE COLLECTIVE AGREEMENT

- 34.1 Company officers will not render decisions which modify a generally accepted interpretation of the provisions of the present collective agreement without discussing it with the Union General Chairman.
- 34.2 No local arrangement which violates the generally accepted interpretation of the provisions of the present collective agreement will be made without prior approval by the Union General Chairman and the relevant Company officer.

Article 35

NO STRIKE OR LOCKOUTS

- 35.1 In view of the orderly procedure established by this Agreement for the settling of disputes and the handling of grievances, the Unions agree that, during the lifetime of this Agreement, there will not be any strike, slowdown, stoppage of work or interference with work or operations, of any nature, either complete or partial, and the Company agrees that there will be no lock-out of employees governed by this Agreement IN WITNESS WHEREOF this Agreement has been executed by the parties as of the date first above written.

Article 36

TERM OF THE AGREEMENT

- 36.1 This Agreement shall expire December 31, 2017. Thereafter, this agreement shall continue in effect from year to year unless either party gives notice to the other of its desire to revise or supersede this agreement, such notice to be given not less than one hundred twenty (120) days prior to the date upon which this agreement would otherwise expire.
- 36.2 The provisions of the present article shall not be construed so as to refrain the parties to this Agreement from making any changes to or from adding to the scope or the application of, or from extending the provisions of its Agreement during the term hereof that are mutually acceptable. Any modification must be confirmed in writing and duly signed by all parties concerned.

Article 37

CERTIFICATE OF SERVICE

37.1 When operating employees are dismissed or resign, they will:

- A. Be paid within thirty (30) days,
- B. Be given a certificate, upon request, stating time of service and in what capacities they were employed.

Article 38

FLEX DAYS

38.1 An employee will be allowed five (5) Flex Days per year. Flex Days may be used provided the employee gives the Company a minimum forty-eight (48) hours advance notice to the designated Company officer. Employees shall receive a basic day's pay at the pro-rata rate of their assignment for each flex day taken. Employees will be required to take a flex day, if any, for each day an employee lays off sick. The 48-hour advance notice is not required when an employee lays off sick.

38.2 Flex Days may be granted or denied consistent with the needs of service, at the discretion of the Company. Employees are encouraged to schedule a Flex Day with the Company sufficiently in advance with the understanding not all employees can be granted the same day off, unless the Company shuts down its operation on what would otherwise be a work day or a holiday. When an employee uses a Flex Day, its duration, shall be calculated as one (1) calendar day.

38.3 Employees may request a buy back for unused Flex Days at the end of the year. The request for a buy back must be submitted in writing by employees no later than November 15th with payment to be made on the last payday before Christmas holiday. The Company will buy back Flex Days at 100% of the employee's basic daily rate for the employee's assignment. Flex Days may not be carried over from one year to the next.

Note: In the application of this article, the basic daily rate for the employee's assignment will be based on the assignment held by the employee at the fall change of card in the fall season.

38.4 Intentionally left blank

38.5 A new hire will be entitled to this article as per the following:

- I. Receive one (1) flex day for every two (2) months worked
- II. Flex day entitlement will be rounded up to the next 2-month segment
- III. On January 1st subsequent to the date of hire, the employee will be entitled to the full allotment of flex days outlined in Article 38.1
- IV. Unused flex days will be paid out as outlined in Article 38.3

38.6 Unless successfully grieved, if an employee resigns or is terminated from his/her position during the calendar year, unused Flex Days be pro-rated and paid out. In addition, any Flex Days which have been previously requested by the employee and denied by the Company will also be paid out.

Note: Employees who retire will be entitled to his/her full allotment of Flex Days and have all unused Flex Days paid out".

Appendix A

LETTER OF UNDERSTANDING

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Appendix B

LETTER OF UNDERSTANDING - RRSP

The parties hereto undertake to cooperate so that, within one hundred and eighty (180) days following the first day of operations, a RRSP will be put into place to the benefit of the employees covered by the present agreement.

The Company will match the employee's contribution to a maximum of 6% of the employee's gross earnings with no cap.

Appendix C

BONUS INCENTIVE PROGRAM

During the discussions regarding the labor agreement, the parties have agreed to execute important modifications to the current Bonus Program.

In order to acknowledge staff members for their contribution to the success of the company's profitability and prosperity, the parties agree to modify the evaluation criteria regarding the employee bonuses when their objectives are met. Thereby, from this point forward, the objectives to be achieved are based on personal injury prevention as well as the number of incidents caused by human factor, rather than the budgeted operating income as it has been in the past.

A bonus of 2% of the annual salary will be paid if objectives are met. The objectives of the new Success Bonus Program will be established annually and posted. They will be divided equally in two (2) parts (50% each) as follows:

Reportable Injuries & HFI – Department (50%)

Reportable Injuries & HFI – SLQ Consolidated (50%)

If in either case by significantly improving results for reportable injuries and human factor incidents by Department and/or SLQ consolidated, bonus will be adjusted to reflect improvement.

Appendix D

BENEFITS

The Company agrees to maintain a policy or policies with an insurance company or companies to provide the level of group health, vision, dental, short term disability and life insurance benefits that were in the place at the date of ratification. In short term, the Company will revisit the existing plan to discuss a suitable revised program with the Union which will have to be mutually agreed to by the parties.

The Company agrees to consult with the Benefits provider to explore the feasibility of extending the life insurance full coverage (200% of wages) from 65 years to 70 years old.

LIFE INSURANCE AND ACCIDENTAL DEATH OR DISMEMBERMENT

All employees have a life insurance amount equal to 2 times their annual salary. The amount of insurance is reduced by 50% at the age of 65 and terminates at 70 years old. Legal dependants: spouse: 5 000 \$ child: 2 500 \$ each.

MEDICAL BENEFITS

The program covers 100% of the items below after having satisfied a 25\$ deductible per individual and a 50 \$ deductible per family. The deductibles and the eligible expenses are on a calendar year basis.

- Semi-private room in hospital in Canada. Convalescent hospital: 60 days
- Private duty nurse: 10 000 \$ / year
- Most medication that requires a prescription is covered.
- Services obtained by a:
 - Physiotherapist (45\$/vs.)
 - Psychologist (75\$/vs.)
 - Speech Therapist, Audiologist and Massage Therapist (50\$/vs.)

Who are a member in good standing with their professional association AND that are prescribed by a doctor are admissible to a maximum of 400\$ per specialist per year.

- Naturopath (45\$/vs.)
- Chiropractor (40\$/vs.)
- Podiatrist (45\$/vs.)
- Ergotherapist & Acupuncturist (45\$/vs.)
- Osteopath (55\$/vs.)

Who are in good standing with their professional association are admissible to a maximum of 400\$ per specialist per year.

- Custom made orthopedic shoes approved by the insurer and prescribed by a podiatrist paid at 400\$ per 12 months. Orthotics are covered at 100\$ per 12 months. Special elastic stockings are paid twice a year.
- Emergency travel insurance and assistance program 24 hours a day.
- Laboratory expenses are payable
- Eye exams are covered at 50 \$/12 months, glasses at: 200 \$/12 months
- Accident to natural teeth
- Rental expenses
- Hearing aids

DENTAL BENEFITS

After an annual deductible of 25 \$ per individual or 50 \$ per family, the program reimburses:

- 100% of basic services according to the current dental fee guide of general practitioners
- cleaning every 6 months
- complete oral exams every 24 months
- fillings
- extraction of teeth
- root canal treatment
- gum surgery

The maximum amount of payable per year is 1500\$ per year.

The plan provides 50% of care for orthodontic work and crowns. Coverage for employees and dependents is 1,135\$ per annum, with a lifetime maximum of 2000\$ per person.

SALARY INSURANCE

This benefit replaces 66.67% of your GROSS WEEKLY INCOME without exceeding 500 \$/week:

- begins the 1st day following an accident or a 24-hour hospitalization
- begins the 8th day following a sickness

This benefit will be paid up to a maximum of 17 weeks.

DISABILITY INSURANCE

This benefit replaces 66.67% of your gross month salary without exceeding 3000\$/monthly and starts as soon as your salary insurance indemnity payments have expired. This benefit will be paid during 24 months if you are incapable of performing several tasks of your daily duties, afterwards the benefit will continue until age 65 if you are incapable of working at any occupation.

Appendix E

CBA COMPLIANCE CLAUSE

When it is agreed between the Company and the General Chairperson of the Union that the reasonable intent of application of the Collective Agreement has been violated an agreed to remedy shall apply.

The precise agreed to remedy, when applicable, will be agreed upon between the Company and the General Chairperson on a case by case basis. Cases will be considered if and only if the negotiated Collective Agreements do not provide and existing penalty payment.

In the event an agreement cannot be reached between the Company and the General Chairperson as to the reasonable intent of application of the Collective Agreement and/or the necessary remedy to be applied the matter may within 30 calendar days be referred to an Arbitrator as outlined in Article 20 of this Agreement.

Note: A remedy is a deterrent against Collective Agreement violations. The intent is that the Collective Agreement and the provisions as contained therein are reasonable and practicable and provide operating flexibility. An agreed to remedy is intended to ensure the continued correct application of the Collective Agreement.

Appendix F

LETTER OF UNDERSTANDING – ARTICLE 19

DISCIPLINE

The Brown system will apply to assessment of discipline and demerit marks. Employees who have accumulated more than sixty (60) demerit marks will be subject to dismissal.

Twenty (20) demerit marks will be deducted from an employee's record for every year (1) of continuous service, free from discipline. Periods of layoffs leaves of absence or sick leaves will be deducted from continuous service. It is understood that the present employee's discipline record will remain and be considered at the time of determining discipline to be assessed for any incident following the implementation of this agreement.

Appendix G

LETTER OF UNDERSTANDING – APPLICATION OF ARTICLES 12.11 & 12.12

EMERGENCY LIST: CALLING PROCEDURES

In the application of Articles 12.11 and 12.12, it is agreed that effective with the signing date of this letter that the following shall apply:

1. Employees who are unavailable to accept a call, except as otherwise provided for in Articles 12.11 and 12.12, will have their names removed from the Emergency List until the employees who accepted such call, reports off duty in the terminal, at which time, the employee(s) who were unavailable, shall have their names placed on the bottom of the Emergency List, behind to the employees who accepted the call for the same assignment already on the list.
2. Employees who are absent from the list due to annual vacation, shall retain their standing on the list, and be placed into their relative standing, upon reporting back from vacation.
3. Employees who are called must be available to work the maximum of hours required to complete the assignment.
4. Employees called from the Emergency List shall be paid time and one half for such work. This payment shall be over and above the employee's regular assignment.
5. Employees who, book sick, use a Personal Leave Day or a Floater Day will have their names placed at the bottom of the emergency list, upon reporting for service.
6. Except in cases of being restricted, employees must be qualified and eligible to cover all assignments before being entitled to place their names on the emergency list.

Appendix H

LETTER OF UNDERSTANDING – APPLICATION OF ARTICLES 4.3 & 6

Letters Of Understanding

Letter of Understanding Respecting the Application of Articles 4.3 and 6

Utilization of SLQ Engineers/Trainmen as relief assistants

The Union notified the Company of the cancellation of this agreement:

Letter of Understanding dated November 3, 1999 regarding the Utilization of SLQ Engineers/Trainmen as Relief Assistants when the Manager of Transportation is not available (Management Positions).

The Union raised concerns in some instances with the Company's selection. Therefore to eliminate such concerns, the Company is prepared to discuss with the Local Union representative the appointment of a temporary Manager when necessary.

Letter of Understanding Regarding New Technology

It is understood that like any other railroad, SLQ could be required to implement new technology to maintain its level of competitiveness.

Article 32 of the Collective Agreement addressing Material changes

The Company recognises that this Article doesn't cover all the new technology that could be implemented. Therefore, the Company is prepared to address with the Union any changes that may occur which would lead to job reductions.

Appendix I

APPLICATION ARTICLE 14.2 – VACANCIES AND BIDDING PROCESS

Application of Article 14.2

October 31, 2019

Gentlemen,

During the current round of negotiations, the Union raised concerns regarding the application of Article 14.2 of the Collective Agreement.


The Union raised the issue of known vacancies and subsequent vacancies of permanent and temporary assignments not being advertised as per the intent of this article.

To address this issue, it is hereby agreed that all vacancies shall be advertised as per the following:

- 1) All known vacancies shall be advertised 5 days in advance of closing on Friday at 12:00, effective Sunday at 00:01.
- 2) In the application of Item 1 above, the effective date shall be the first Sunday of the known vacancy.
- 3) All subsequent vacancies of successful applicants above, shall be advertised immediately after closing on the Friday, for 5 days to close on Wednesday at 12:00 and shall be effective at 00:01 the first working day of the assignment. Such vacancies shall be filled by the applicable spare board until the effective date of the bulletin.

In the application above, Employees who absent for the entire bulletin period shall have the right to exercise their seniority to the bulletined assignment as identified in Side Letter – Application of Article 14.3

Yours truly,



Jason Birkel
General Manager
St-Lawrence & Atlantic Railway Inc.

I concur,



Paul Boucher
General Chairman
TCRC Central Region LE



Jim Lennie
General Chairman
TCRC Central Region CTY

Appendix J

APPLICATION OF ARTICLE 14.3 – EXERCISE SENIORITY WHEN RETURNING TO SERVICE

Application of Article 14.3

October 31, 2019

Paul Boucher
82A Dundas Street W.
Trenton, Ontario
K8V 3P3

Jim Lennie
156 Parkdale Ave N unit 3
Hamilton, Ontario
L8H 5X2

Gentlemen,

During the current round of negotiations, the Company raised concerns regarding the application of Article 14.3 of the Collective Agreement.

The Company raised the issue of when the 24-hour period to exercise seniority actually commenced in relation to "return to service".

To address this issue, it is hereby agreed that active service and the 24-hour period to exercise seniority shall apply as per the following:

- 1) Return from Annual Vacation: Scheduled start time of the First scheduled work day following annual vacation.

Eg 1: Employee A ends vacation Sunday 23:59 and is scheduled to work regular assignment 07:00 Monday. Employee A will work their assignment at 07:00 and will have 24 hours from 07:00 Monday to exercise their seniority.

Eg 2: Employee A ends vacation Sunday 23:59 and is scheduled to work regular assignment 17:00 Tuesday. Employee will work their assignment at 17:00 and will have 24 hours from 17:00 Tuesday to exercise their seniority.

- 2) Return from consecutive Flex Days: Scheduled start time of the First scheduled work day following the last Flex Day.

Eg 1: Employee A ends Flex Days used Thursday 23:59 and is scheduled to work regular assignment 07:00 Friday. Employee A will work their assignment at 07:00 and will have 24 hours from 07:00 Friday to exercise their seniority.

Eg 2: Employee A ends Flex Days Thursday 23:59 and is scheduled to work regular assignment 17:00 Monday. Employee will work their assignment at 17:00 and will have 24 hours from 17:00 Monday to exercise their seniority.

- 3) Return from CSST, Illness, Extended Leave, Union Leave, etc: Scheduled start time of the First scheduled work day following the day booked back on available.

Eg 1: Employee A is off on CSST and books back on available for duty Tuesday at 13:00 and is scheduled to work regular assignment 07:00 Wednesday. Employee A will work their assignment at 07:00 and will have 24 hours from 07:00 Wednesday to exercise their seniority.

Eg 2: Employee A is off sick and books back on available Monday 08:00 and is scheduled to work regular assignment 17:00 Monday. Employee will work their assignment at 17:00 and will have 24 hours from 17:00 Monday to exercise their seniority.

Eg 3: Employee A is off on Union Leave and books back on available for duty Wednesday at 17:00 and is scheduled to work regular assignment Saturday at 09:00. Employee will work their assignment at 09:00 on Saturday and will have 24 hours from 09:00 Saturday to exercise their seniority.

In the application above, Employees may exercise their seniority at anytime subsequent to becoming available.

Yours truly,



Jason Birkef
General Manager
St. Lawrence & Atlantic (Quebec) Inc.

I concur,



Paul Boucher
General Chairman
TCRC Central Region LE



Jim Lennie
General Chairman
TCRC Central Region CTY

Appendix K

APPLICATION OF ARTICLE 17, 11.4 & 12.12 D) QUALIFIED ENGINEERS WITHOUT SENIORITY

New Side Letter – Application of Articles 17, 11.4 and 12.12(d) RE: Qualified Engineers without seniority

Gentlemen,

During the current round of negotiations, the TCRC raised concerns as to the application of articles 17, 11.4, and 12.12(d) of the Collective Agreement RE: Employees with Engineer qualifications without seniority.

It has been agreed that the following will be applied:

Article 17 - Promotion to Engineer:

- 1) Unless mutually agreed to between the Company and both General Chairmen, qualified Locomotive Engineers shall not be temporarily or permanently set up to Locomotive Engineer assignments, including the spare board, until such time as they have obtained seniority in the craft.
- 2) Transportation employees who have previous Locomotive Engineer qualifications from another employer shall not obtain seniority as a Locomotive Engineer until such time as they have complied with Article 17.2, 17.3, and/or 17.4.

Article 11.4 – Engineer’s Spare Board Exhausted

- 1) The qualified spare board conductor must hold seniority as a Locomotive Engineer.

Article 12.12(d) -

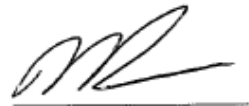
- 1) All transportation employees holding seniority in the craft, will be canvassed in seniority order
- 2) Only after item 1 above has been exhausted, first-out available conductor qualified in the craft and holding seniority will be called
- 3) Only after items 1 and 2 above have been exhausted, all transportation employees not holding seniority but qualified in the craft, will be canvassed.

Upon written request of the TCRC Local Chair, the company will inform the union that this process has been applied for a specific assignment.

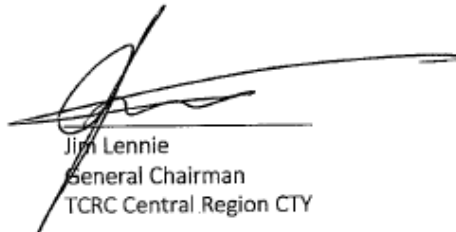


Jason Birkel
General Manager
St. Lawrence & Atlantic (Quebec) Inc.

I concur,



Paul Boucher
General Chairman
TCRC Central Region LE



Jim Lennie
General Chairman
TCRC Central Region CTY

Appendix L

OVERCOMING A TEMPORARY SHORTAGE OF EMPLOYEES ON A VOLUNTARY BASIS

New side letter - Overcoming a Temporary shortage of employees on a voluntary basis

When it is determined by the Company that there is a shortage of employees and there is a need to increase the work force at either GEXR, SOR, OVR, SLQ, or HCRY, the following will apply:

- 1) All laid off employees and/or employees on a shortage bid under this agreement must be recalled prior to commencing item 2 herein
- 2) The Company may in advance of actual requirements bulletin for 7 days to the above properties for employees who are prepared to proceed to the railway requiring additional employees.

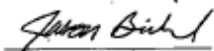
The bulletin will specify:

- a) The number of employees required at the shortage location
 - b) The anticipated duration of the shortage not to exceed 30 days.
 - c) Prior to the expiration of 30 days, the Company may approach those employees on the shortage to request a one-time 30-day extension which will be at the option of the employee.
 - d) The reporting location and address
 - e) A description of the work and territories involved
 - f) The accommodations provided, as well as the accessibility / availability of eating facilities.
- 3) The senior qualified applicant, which is based on the applicant's seniority date, will be accepted when such will not create a shortage of employees at their home railway. Such applicant will be considered temporarily transferred, will not be granted seniority on the railway where the shortage exists, and will be placed on the bottom of the working list.
 - 4) Employees on leave of absence or on vacation with pay during the period of bulletin referred to in paragraph 1 hereof, will be permitted to make application when he reports for duty.
 - 5) A successful employee will be required, when so advised, to report at the point where the shortage exists as soon as practicable not to exceed 7 days.
 - 6) A shortage employee will continue to receive all wages and benefits from their home railway but shall paid no less than 40 hours per week at the applicable rate of pay outlined in their home railway collective agreement. Dues will continue to be deducted under the conditions of their home railway.
 - 7) Employees protecting temporary shortages will be provided the following:
 - a) Employees electing to use their own automobiles to and from the shortage location will be compensated as per mileage payments under their own collective agreement.
 - b) Employees who elect not to use their own automobiles, will be provided transportation to and from the shortage location at the Company's expense.
 - c) All time spent travelling to the point where the shortage exists will be paid the hourly rate of their

- e) A weekly grocery allowance of \$200.00 per week unreceipted for accommodations with cooking facilities and/or a daily meal allowance of \$75.00 per day (\$15.00 breakfast, \$25.00 lunch, \$35.00 dinner) unreceipted for accommodations without cooking facilities for each day on the shortage including travel days.
 - f) Transportation to and from the work location at the Company's expense
 - g) Transportation to and from a Laundry facility once per week if the hotel does not contain one
- 8) Employees who are successful applicants shall be afforded a reasonable number of familiarization trips / tours of duty at the shortage location. The Local Chairperson and Company officer will establish the minimum number of familiarization trips required at each location prior to the effective date of the shortage. For assignments with a separate return tour of duty, the minimum number of familiarization trips will be no less than three in each direction.
- 9) Shortage employees released prior to the expiration of 30 days will be released in reverse order of seniority and will be provided 2 calendar days off with pay at their applicable rate of their permanent assignment following the travel day home.
- 10) In the event there are no employee bids for the advertised bulletin under paragraph 2, the Company may have the option to go utilized a qualified employee outside this agreement. Prior to exercising the option, the Company shall contact the affected General Chairman.
- 11) Employees working under paragraph 10 herein will work under the Collective Agreement for which the shortage exists including dues payment.


Employees working under paragraph 10 herein will be afforded all rights under paragraphs 7 & 8 herein.

Yours truly,

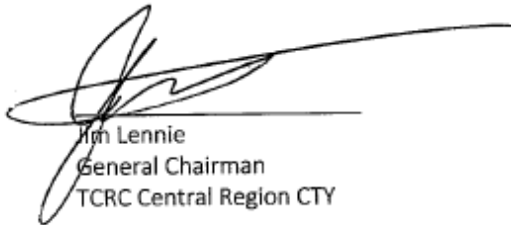


Jason Birkel
General Manager
St Lawrence & Atlantic (Quebec) Railway Inc.

I concur,



Paul Boucher
General Chairman
TCRC Central Region LE



Jim Lennie
General Chairman
TCRC Central Region CTY