

**COLLECTIVE AGREEMENT BETWEEN
CENTRAL MAINE AND QUEBEC RAILWAY CANADA, INC.**



AND

**TC LOCAL 1976 USW
UNIT 9438**



2022 - 2026

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ARTICLES

1.0 PURPOSE OF THE AGREEMENT

- 1.01 The purpose of this collective agreement is to establish, for the benefit of all parties, peaceful and harmonious labour relations; to ensure negotiations in good faith; and to promote the settlement of grievances in order to ensure the Company's efficiency and profitability, establishing just and equitable labour conditions for all employees.
- 1.02 The parties acknowledge that this collective agreement constitutes the sole agreement existing between the parties and their representatives.

2.0 RECOGNITION

- 2.01 The Employer acknowledges that the Union is the sole bargaining agent for employees in virtue of the *Canada Labour Code*, with the exception of the Company's office employees, or those who will become office employees in the future.
- 2.02 This collective agreement governs the Employer as well as any corporation, partnership, person or legal entity controlled by the Employer and that exercises a business similar or identical to that already exercised by the Employer in the province of Quebec.
- 2.03 Throughout the duration of this collective agreement, the Employer may extend or transfer its activities, as long as the Employer maintains in effect all legal or contractual obligations with the Union.
- 2.04 It is understood that the Employer will not transfer the tasks covered by the Union's accreditation certificate to subcontractors.
- 2.05 This Article's goal is not to impede the Employer from assigning by contract the performance of a major work that is not generally executed by employees covered by the Union's accreditation certificate. With the mutual consent between the Employer and the Union and where the expertise of such magnitude is not available within the Company, the work may be given to an external Company.

3.0 DISCRIMINATION

- 3.01 It is understood that no discrimination shall be exercised by the Employer or by the Union, their officers, representatives or members, against any employee because of his Union membership.
- 3.02 It is understood that the Union, its officers, representatives and members, will not exercise any Union activity in the areas of work or during work hours, unless

there is a stipulation to this effect contained in this agreement.

3.03 No reprimand or discrimination of any sort shall be exercised against any Union representative or delegate, during the course of or following the accomplishment of his functions.

3.04 The Employer or its representatives nor the Union or its representatives, shall not exercise directly or indirectly any threats, duress, discrimination or unfair distinction against an employee due to his race, nationality, language, sex, age, civil status, physical, physiological or mental state, political opinions, sexual orientation, religious beliefs or of their absence or exercise of a right that is recognized by this collective agreement.

4.0 UNION SECURITY

4.01 It has been established that as an employment condition, all employees must become and remain Union members in good standing. The new or re-called employees must become Union members. All new employees will be provided with the opportunity to meet with a Union representative after commencing employment.

4.02 The Employer agrees to deduct from each employee's salary the Union dues, membership fees and special fees currently in force according to the Union's constitution and at the time specified by the Union. These deductions shall be taken from each pay and shall be remitted within thirty (30) days to the director designated by the Union. The Employer shall remit to the Union a copy of the pay slip indicating the employee's monthly deducted amount and remit the deducted amounts along with a statement of Union dues as well as a list of employees that have not paid their dues, indicating the reasons.

4.03 It is understood that any document remitted to the Union in accordance with Article 4.02 cannot be used for purposes other than those provided for by that Article.

4.04 The Employer must indicate the amount of the cumulative dues paid over the course of the preceding year on the T-4 slips and Relevé 1.

4.05 It has been established that, as a condition of employment, all employees shall sign an application furnished by the Union authorizing the Employer to deduct Union dues in accordance with Article 4.02.

4.06 The Union accepts to indemnify and protect the Employer against any claim that may arise relative to Article 4.00.

5.0 UNION REPRESENTATION

5.01 The Employer acknowledges the Union's right to nominate a delegate for

each department: Operations, Mechanical and Engineering.

- 5.02 The Employer also acknowledges the Union's right to nominate a Union president that can be also one of the delegates stipulated at Article 5.01.
- 5.03 The Union shall inform the Employer in writing of the Union president's name and of its elected or nominated delegates within five (5) days following their nomination.
- 5.04 At the beginning of each year, or following a new nomination or election, the Union shall remit to the Employer an updated list of the Union's representatives.
- 5.05 The meetings with the delegates or the Union president shall be held between 7:00 AM and 4:00 PM on weekdays. These meetings may be held at another time provided that there is a prior agreement between the Employer and the Union.
- 5.06 The meetings provided for at Article 5.05 shall be held without loss of pay for the Union representatives.
- 5.07 The negotiations committee concerning the modifications or the renewal of the collective agreement shall be composed of three (3) members chosen by the Union. This committee will have only this mandate.
- 5.08 The committee described under Article 5.07 may attend the negotiation sessions scheduled by the parties without loss of pay or benefits, as stipulated in the collective agreement, within the scope of the renewal of the collective agreement.
- 5.09 The Union shall furnish to the Employer a list of the names of the persons authorized to exercise the functions stipulated at Article 5.07.
- 5.10 The Employer shall grant the Union president leaves without loss of pay in order to assume the responsibilities pursuant to the functions and application of the collective agreement up to 240 hours per year. Costs for any additional hours required for this function shall be borne by the Union.
- 5.11 When an authorized Union representative who is not an employee of the Company desires to meet or discuss with a Union delegate or an employee at work, he must advise the individual responsible for the department in advance and must ensure that this meeting or conversation does not negatively affect operations.
- 5.12 At the Union's request, the Employer shall grant a leave of absence without pay for a long duration to one or several employees for Union purposes, unless the

Employer has a reasonable motive to refuse such request. The Employer is not required to maintain benefits for this employee during this leave of absence without pay.

5.13 At the Union's request, the Employer shall grant a leave of absence without pay for a short duration to one or several employees for Union purposes, unless the Employer has a reasonable motive to refuse such request. The Employer is not required to maintain benefits for this employee during this leave of absence without pay if the leave of absence without pay exceeds five (5) consecutive days.

5.14 The Union's requests in accordance with Articles 5.12 and 5.13 shall be submitted at least seven (7) days in advance of the requested leave of absence without pay.

6.0 GRIEVANCE PROCEDURE

6.01 A grievance, for the purposes of this collective agreement, is defined as any dissention or misunderstanding pertaining to the application or interpretation of this collective agreement.

6.02 Any employee who has not completed his probationary period shall not have recourse under the grievance procedure.

6.03 Step 1:

Before submitting a grievance, the employee, accompanied by a Union representative or unaccompanied, shall present his claim in writing to his immediate supervisor within ten (10) business days from the onset or the knowledge of the fact on which he bases his claim.

6.04 The immediate supervisor shall render his decision within ten (10) business days following the presentation of the employee's claim submitted in accordance with Article 6.03 of the collective agreement.

6.05 Step 2:

If the verbal discussion relating to his claim does not satisfy the employee, a grievance may be submitted in writing by the Union to the Department Head within fifteen (15) business days from the immediate supervisor's decision.

6.06 The Department Head must render his response in writing within fifteen (15) business days following the receipt of the grievance.

6.07 Collective grievances submitted by the Union are subject to the same delays provided for in this Article.

- 6.08 Arbitration:
- All grievances that are not settled satisfactorily at the previous stage may be submitted to arbitration at the Canadian Railway Office of Arbitration (CROA) within thirty (30) business days from the date of the Department Head's decision or upon expiration of the deadline to respond, depending on the situation.
- 6.09 At the end of each year, the Employer or the Union, with ninety (90) days' notice and at its sole discretion, may withdraw from the grievance and arbitration procedure of the CROA in order to be bound again by the grievance and arbitration procedure provided in the Letter of Understanding 01.
- 6.10 Where the presence of an employee is required as plaintiff or witness at any stage of the grievance procedure, with the exception of arbitration, the Employer shall free the employee for the required time without loss of pay.
- 6.11 At any stage during the course of the grievance procedure, an agreement may be entered into in writing between the Employer and the Union. Such an agreement binds the parties in question as though an arbitration decision had been rendered.

7.0 DISCIPLINARY MEASURES AND MANAGEMENT RIGHTS

- 7.01 The power to discipline or to dismiss is the Employer's prerogative. It is understood that this prerogative must be exercised with fairness and in consideration of the employees' rights. The power to dismiss will not be exercised except by a duly authorized representative of the Employer.
- 7.02 Any disciplinary measures are remitted to the concerned employee within ten (10) days following the Employer's knowledge of the facts mentioned in the measure. Any dismissal or disciplinary measure is subject to the grievance and arbitration procedure.
- 7.03 The exercise of the Employer's disciplinary power entails that the Employer may reprimand, suspend or dismiss any employee for a just and sufficient cause, while still subject to the Grievance and Arbitration procedure.
- 7.04 Any disciplinary measure filed in the employee's record shall be considered as struck from his record and cannot be invoked against the employee after a period of twelve (12) months following the disciplinary measure, providing that there are no reoccurrences during this period. Upon notification to the Department Head, any employee, accompanied by a Union representative, may consult his disciplinary record.
- 7.05 The Employer has the right to adopt regulations that must be respected by all the employees. The Union reserves the right to contest any regulation that it

judges to be inappropriate.

- 7.06 The Employer shall advise and discuss with the Union the regulations that it intends to adopt.

8.0 DISCIPLINARY RULES AND PROCEDURES

- 8.01 An employee shall not be dismissed, suspended or disciplined without justification and without a fair and impartial investigation.

- 8.02 An employee shall not be kept out of service while awaiting an investigation except in a serious case such as theft, drug or alcohol abuse, insubordination, major accidents, non-authorized or improper use of the Company's equipment or installations, unauthorized use of the Company credit cards, false salary claims, illegal activities, serious misconduct and major offences that may be considered hazardous if the employee remains in service.

- 8.03 An employee that is ordered to present himself to a formal investigation in order to determine his responsibility concerning an event or incident, shall be advised in writing by registered mail with acknowledgement of receipt, to his last known address, within a reasonable time period. However, this period shall not exceed ten (10) calendar days from the date of the incident or from the date that the incident became known by the employee's supervisor. This notice can also be delivered by hand to the employee, with acknowledgement of receipt. The notice shall contain a clear and precise enunciation of the date, time, place and nature of the event or incident that brought about the investigation. The notice shall be sent to the employee and a copy shall be sent to the Union President via mail or via e-mail. The notice shall be sent to the employee's residence only when other means of notification are not available. The Employer and the employee may waive this procedure by mutual agreement.

- 8.04 The notice shall state the date, time and place where the investigation shall be held and shall not be less than five (5) calendar days following the date of the notice or greater than ten (10) calendar days from the date of the notice unless there is an agreement to the contrary.

- 8.05 The Employer shall have the burden of producing enough witnesses to develop the facts surrounding the incident or the event in question and the notice of the investigation shall include the names of all of the persons receiving the notice and the names of all the witnesses that the Employer has the intention of calling, and who shall be known at the time of the notice. The employee or his representative may bring to the attention of his supervisor the names of other witnesses that may furnish facts.

- 8.06 The notice shall inform each employee of his right to representation by another

employee or a Union representative and that he may bring witnesses.

- 8.07 An employee who has been advised to present himself to an investigation has the option, before the investigation, to discuss with the Employer, in person, with or without the Union representative. If the settlement of the charge is based upon the employee's admission of responsibility, then it shall be reduced to a written admission and signed by the employee and the supervisor in question. The written admission shall indicate the maximum disciplinary measure that may be imposed upon admission of responsibility. The settlement of cases will not create any precedence in the resolution of other cases.
- 8.08 No minutes or other records shall be taken of the discussions. If the parties are incapable of reaching a settlement, no reference shall be made by either party when the charges follow the normal disciplinary procedure.
- 8.09 In accordance with the provisions under Article 8.01 for a fair and impartial investigation, the adjournment of a formal investigation may be required by one of the parties on a reasonable basis and consent must not be unreasonably withheld.
- 8.10 The investigation must be directed by the employee's supervisor who may be assisted by other supervisors. If it is possible, the investigation shall be held at the concerned employee's departure terminal or in cases where more than one employee is implicated, at the departure terminal of the majority of employees.
- 8.11 When another railway is implicated, this shall not prevent the employee's supervisor from holding an investigation or from assisting in the investigation and recognizing that in all cases, there shall only be one investigating supervisor. It is understood that another implicated railway, of its own right, may require that they themselves conduct the investigation.
- 8.12 In either case, an official representative from Central Maine and Quebec Railway Canada Inc. shall be present at the investigation.
- 8.13 During the investigation as stipulated under Article 8.11, the employee may exercise his right to move to a position for which he is qualified and if his seniority permits, if he has been prevented from working on his assignment by another railway, subject to Article 8.02.
- 8.14 The employee shall have the right to be represented at the investigation by a fellow employee or Union representative, at the discretion of the employee. The employee or his representative shall have the right to present witnesses in favor of the employee and shall hear all of the presented witnesses. The employee's representative shall have the right to question all witnesses.

- 8.15 The employee's personal work record shall not be included and no reference to it shall be made during the investigation or in the transcription of the investigation's procedures. The employee's personal record shall be taken into consideration at the time that discipline is imposed, if need be.
- 8.16 If a formal investigation is not held within the specified deadline, the employee shall not be disciplined, shall be paid for all lost work hours and no discipline shall be inscribed in the employee's personal record.
- 8.17 The employee and the witness shall have permission to obtain leaves, if required, in order to have enough rest before and after the investigation.
- 8.18 It is recognized that the Employer shall be responsible in ensuring that a precise transcription or recording of the investigation's procedures is made. However, this shall not impede the employee or his representative from making their own record of the procedures.
- 8.19 If, during the investigation, a partial transcription is made before the conclusion of the investigation, this partial transcription shall be at the disposal of the employee and his representative upon request. If electronic recordings are used and these recordings are available for review by the supervisors, they shall also be placed at the disposal of the employee and his representative upon request, at the Employer's appropriate facilities.
- 8.20 In all cases, whether a disciplinary measure is imposed or not, a transcription, or a copy of the said transcription, if any, shall be furnished to the employee and to his representative upon request.
- 8.21 If the formal results from the investigation impose discipline, this decision shall be rendered within fifteen (15) calendar days from the date of the investigation's conclusion and the employee shall be advised by telephone or in person with a written confirmation of the reasons by certified or registered mail with an additional copy sent to the employee's representative. A notice by telephone or in person shall be sufficient to be considered rendered within the period of fifteen (15) calendar days with respect to the limit of time prescribed in accordance with this Article.
- 8.22 If the results of the investigation do not impose any discipline, all charges or allegations in relation with this affair entered in the employee's record, shall be withdrawn.
- 8.23 The witnesses that the Employer requests to be present during an investigation shall be compensated for all lost work hours and, in addition, shall be reimbursed for all reasonable expenses incurred for each day of the investigation. When there are no lost work hours, they shall be paid for the time that they assisted at the investigation, a minimum of four (4) hours or half

a day, when applicable, to be paid at the regular salary rate applicable for the last shift worked.

- 8.24 When an employee implicated in a formal investigation does not receive discipline, the employee shall be compensated for any lost work hours. In addition, the employee shall be reimbursed for the necessary and reasonable expenses incurred for each day of the investigation. When no time is lost, the employee shall be paid for the time that he was present at the investigation, a minimum of four (4) hours or half a day, when applicable, for each day of the investigation at the applicable wage rate for the most recent shift completed.
- 8.25 The employees ordered to attend an investigation before, during or after the end of their workday, shall be paid for all continuous time as though they were on duty.
- 8.26 Any disciplinary measure may be submitted to the grievance procedure and arbitration.

9.0 DESCRIPTION OF DUTIES

- 9.01 This collective agreement is different from any other collective agreement. It is created in order to allow flexibility in a local or regional railway environment, while providing a level of security to employees, terms of employment and order as found in a traditional collective agreement.
- 9.02 The term "beginning of operations" used in this agreement means September 28th, 1996.
- 9.03 Training procedures will apply in the following manner:
- a) Employees who are interested in training in a department must indicate the position that they desire to be trained in on their application. If more than one employee is interested in this position, seniority shall determine who will be trained for the position. It is understood that there may be more than one employee in training if the Employer determines such a need.
 - b) The employee must comply with the standards of training in order to be able to execute the work in an acceptable manner at the end of his training.
 - c) After the training period, the employees shall return to their regular position with a certification of training and qualification.
 - d) The union will be consulted regarding the assignment of trainees to trainers while undergoing on the job training. An employee who does

not succeed in qualifying or fails a qualifying exam, may retake the training later, with the agreement of the Employer and the Union.

- e) Employees required to attend training outside of their home terminal and travel greater than 100km will be provided with a minimum of forty-eight (48) hours' notice of the required training.

9.04 **Operations Department (Running Trade), including:**

- Locomotive Engineers
- Train Conductor

Mechanical Department, including:

- Equipment Maintainer
- Assistant Equipment Maintainer

Engineering Department, including:

- Track Foreman
- Assistant Track Foreman
- Boom Truck Operator
- Track Maintenance Machine Operator
- Bridge Tender St-Jean
- Technician
- Signal Maintainer
- Assistant Signal Maintainer
- Trackman
- Bridges & Buildings Foreman
- Bridge and Building Foreman Assistant
- Track Maintenance Mechanic

The Employer shall create a seniority list that will be posted on November 1st of each year for the occasional and seasonal positions of snowplow foreman and snowplow assistant foreman. When an employee included in the Engineering department is responsible for snowplow operations, he shall be remunerated at the greater rate of assistant track foreman or his current rate. When an employee included in the Engineering department assists the employee responsible for the snowplow operation, he shall be remunerated at the rate of track maintenance machine operator.

- 9.05 It is agreed that during the duration of this collective agreement, certain positions may be added or subtracted from these departments. If new positions are needed, there must be a prior agreement between the Employer and the Union in order to determine the rate of pay of the position.

- 9.07 Employees who wish to work for the Operations, Mechanics or Engineering departments shall begin a series of training programs in order to obtain certification. Such certification shall follow a predefined training period in

the Mechanics, Engineering and Operations departments. Once the series of training programs are completed, the employee shall be deemed qualified on the Seniority List set out in Appendix II.

- 9.08 Experienced employees hired at the beginning of operations will establish their seniority and will be considered as "Qualified" in the department for which they were hired.
- 9.09 For employees working or holding seniority in a sector requiring certification or managed by a regulatory agency whereby a certification process from the industry is required in order to comply with the L'AAR, FRA, Transport Quebec or Transport Canada, if applicable, the rules and regulations including the classes and refresher trips, medical exams and tests, shall be paid by the Employer.
- 9.11 When an employee is training on a position other than his own, he is paid the rate of the position for which he is training.
- 9.12 Where the Company assigns an employee to train a new hire employee, the Company agrees to provide the employee assigned as a trainer with a \$15.00 premium for each day they are assigned and train a new hire employee.

10.0 RATES OF PAY

10.01 The base salary for all employees appears in the following table:

	2022	2023	2024	2025	2026
	7%	4%	4.5%	3%	3%
Transportation					
Locomotive Engineer	\$ 39.023	\$ 40.584	\$ 42.410	\$ 43.682	\$ 44.992
Conductor	\$ 36.755	\$ 38.225	\$ 39.945	\$ 41.143	\$ 42.377
	2022	2023	2024	2025	2026
	7%	4%	4.5%	3%	3%
Engineering					
Track Foreman	\$ 30.741	\$ 31.971	\$ 33.410	\$ 34.412	\$ 35.444
Asst. Track Foreman	\$ 28.890	\$ 30.046	\$ 31.398	\$ 32.340	\$ 33.310
Machine Operator	\$ 27.959	\$ 29.077	\$ 30.385	\$ 31.297	\$ 32.236
Bridge Tender St-Jean	\$ 30.741	\$ 31.971	\$ 33.410	\$ 34.412	\$ 35.444
Signal Maintainer	\$ 30.741	\$ 31.971	\$ 33.410	\$ 34.412	\$ 35.444
Asst. Signal Maintainer	\$ 25.134	\$ 26.139	\$ 27.315	\$ 28.134	\$ 28.978
Trackman	\$ 27.028	\$ 28.109	\$ 29.374	\$ 30.255	\$ 31.163
B & B Foreman	\$ 30.741	\$ 31.971	\$ 33.410	\$ 34.412	\$ 35.444
Asst. B & B Foreman	\$ 28.890	\$ 30.046	\$ 31.398	\$ 32.340	\$ 33.310
Track Maintenance Mechanic	\$ 30.741	\$ 31.971	\$ 33.410	\$ 34.412	\$ 35.444

Boom Truck Operator	\$ 28.890	\$ 30.046	\$ 31.398	\$ 32.340	\$ 33.310
Technician	\$ 32.892	\$ 34.208	\$ 35.747	\$ 36.819	\$ 37.924
Mechanical					
Equipment Maintainer	\$ 30.741	\$ 31.971	\$ 33.410	\$ 34.412	\$ 35.444
Asst. Equipment Maintainer	\$ 27.028	\$ 28.109	\$ 29.374	\$ 30.255	\$ 31.163

10.02 Signal Maintainers will be scheduled by the Employer to be available on-call from Monday at 7:00am to the following Monday at 7:00am.

When scheduled to be on-call, the employee shall be paid one (1) hour of his regular salary rate from Monday to Friday, four (4) hours of his regular salary rate on Saturday, Sunday and Statutory Holidays in order to compensate for his on-call availability.

10.03 During personal leaves, jury duty, etc., the daily rate for employees other than running trade employees shall be eight (8) times the regular hourly rate of the position. Overtime will not be paid for this reason.

10.04 When determining new hourly rates or daily rates, the fractions of .5 cents or more were rounded up to the nearest cent and fractions of less than .5 cents were dropped.

10.05 Daily rates applicable to running trade employees shall constitute the maximum payment per workday up to 8 hours of work. If a running trade employee works less than four (4) hours, he shall be paid for half a day. If a running trade employee works more than four (4) hours, he shall be paid at his entire daily rate.

Running trade employees that work more than 8 hours during their shift will receive one eighth (1/8) of their daily rate prorated by 50%.

A running trade employee is an employee assigned to the Operations Department.

10.06 In the case where a running trade employee has been on duty for eight (8) hours or more and where all the normal duties, including but not limited to the preparation of their locomotives for the next work shift, are completed, it is not acceptable to ask these employees to accomplish additional tasks in other sectors except under exceptional circumstances or in the case of an emergency.

10.07 Employees who work in combined service or who work a combination of positions in a shift, shall receive the highest rate of pay for the shift worked.

10.08

(A) Working schedule for non-ops employees

- i. All Engineering and Mechanical employees will be paid on a real basis at their hourly rate, up to eight (8) hours a day. They will be prorated at 50% after their eighth hour worked including time worked during rest days and statutory holidays. Rest days and statutory holidays will also be prorated at (50%).
- ii. With the union's agreement, the employer shall have the option of assigning the engineering and mechanical employees to a workweek of five (5) days of eight (8) hours per day or four (4) days of ten (10) hours per day. These employees shall have a thirty (30) minute paid lunch.
- iii. For engineering employees, the regular workweek shall be four (4) ten (10) hour days per week or five (5) eight (8) hour days per week, from Monday to Friday, starting between 6h00am and 9h00am and ending eight (8) or ten (10) hours later, as applicable. The employer may impose a new work schedule through posting. The new schedule shall be offered according to seniority and imposed according to reverse seniority.

(B) Working schedule for running trade employees assigned to yard and roadswitcher service

- i. The regular workweek for yard and roadswitcher train service employees shall be of five (5) consecutive eight (8) hour or fewer days and two (2) consecutive days off. These workweeks will correspond to the employer's service needs.
- ii. For regular yard and roadswitcher assignments, the workweek shall start on the first day indicated on the job posting (bid).
- iii. The normal workday for yard and roadswitcher or extra yard services shall be eight (8) hours or fewer. Any work performed in excess of the eighth (8th) hour shall be paid on a minute basis in conformity with article 10.05. The employee shall not refuse to perform overtime when the task forms part of his normal assignment and can be completed in a reasonable amount of time. In any other situation, the employer shall comply with the terms of Article 10.09.
- iv. Train service employees, assigned to regular yard or roadswitcher assignments, accepting to work a sixth (6th) or more tour of duty during the same workweek, shall be paid at their regular daily rate.

- v. Employees assigned to yard service and roadswitcher shall be informed at least forty-eight (48) hours in advance when they are required to work during a statutory holiday.

(C) Working schedule for running trade employees assigned to mainline (pool) service

- i. The regular working day for train service employees assigned to main line (pool) service will be eight (8) hours or less. All work performed in excess of the regular 8 hour day will be paid on a minute basis in conformity with Article 10.05.
- ii. An employee assigned to mainline (pool) who has reached his home terminal or his distant base point shall only be required to complete tasks that are normally considered part of his regular assignment. A round-trip route may constitute a regular assignment. In any other situation, the employer shall comply with the terms of Article 10.09.
- iii. Governmental rules and regulations regarding maximum hours on duty for running trade employees shall be respected at all times.

10.09 Distribution of overtime shall be assigned as follows:

- a) To employees who normally perform the work and who are present at the time when overtime is required.
- b) If no employee accepts the required overtime, it shall be distributed among the qualified employees by order of seniority.
- c) It is agreed that overtime is on a voluntary basis and it is equally agreed that if an employee refuses overtime, the overtime shall be considered worked, therefore, impossible to be claimed by this employee.
- d) However, in an emergency, force majeure or a situation that is out of the Employer's control, overtime shall be mandatory at the request of the Employer and the terms provided for at Article 10.09 a), b) and c) shall be void. For the purposes of this paragraph, "force majeure" means an unforeseeable, uncontrollable and external event that prevents one from fulfilling their obligations.

10.10 The Employer reserves the right to add positions and advise the Union before making the additions in order to agree on the salary rates as well as the

departments for these new positions. Unless otherwise agreed, all the terms and conditions of this collective agreement will apply to all new positions. In the case where new designated positions are added, the employees shall have the possibility of following training for these positions. This, however, does not exclude the hiring of outside, qualified and experienced individuals in order to establish these new positions. The employees, however, shall have priority to fill these positions.

- 10.11 When an employee included in the Engineering department performs the tasks related to welding, he shall be remunerated at the rate of assistant track foreman or his current rate, whichever is higher.

11.0 SENIORITY RIGHTS

- 11.01 All seniority rights of established employees since the beginning of operations or during the terms of the preceding collective agreement shall be maintained and accumulated as specified on the master seniority lists at Appendix II (Transportation-Engineering, Mechanical and Signal) and as accepted by the Employer and the Union. Note: the Letter of Understanding signed on DATE shall govern the creation of the Seniority Lists. This Letter of Understanding describes the method of right to transfer.
- 11.02 The Employer and the Union acknowledge that employment security increases in proportion with length of service. It is acknowledged that seniority shall prevail in order to obtain a vacant position, layoff, back to work recall and annual vacations.
- 11.03 Each new employee's seniority shall be established only after a ninety-day (90) probation period starting from the date of entry into service. The employee's name shall only appear on the seniority list once the period of probation is completed, and shall be retroactive to the date of his entry into service. During this period, the employee cannot have recourse to the grievance procedure in the event of a layoff or his dismissal.
- 11.04 Employees with the same seniority dates shall be placed on the seniority list by a draw. The procedure for the draw shall be established by a common agreement between the Employer and the Union where required.
- 11.05 All seniority established according to the terms of the collective agreement shall be maintained and accumulated during:
- a) A layoff or a period equal to the seniority of the employee preceding his layoff with a minimum of twelve (12) months and a maximum of sixty (60) months. To be eligible for the minimum of 12 months, the employee must have worked a minimum of three (3) months.

- b) A period of absence of sixty (60) or fewer consecutive months for illness, accident or work injury with medical justification.
- c) An authorized leave.
- d) Absences for services in the Canadian Armed Forces or with official positions before the provincial or federal government based on a common agreement between the Employer and the Union.
- e) A maternity or paternity leave such as provided for by the law.
- f) An extension of a paternity or maternity leave by an authorized leave.

11.06 An employee shall lose his seniority and his name shall be struck from the seniority list if:

- a) The employee voluntarily leaves the employment of the Company.
- b) The employee is dismissed for a just cause and he is not reinstated in accordance with the terms of the collective agreement.
- c) The laid-off employee refuses to present himself to work within thirty (30) calendar days after receiving a back-to-work notice from the Employer that is registered and sent to his last known address along with a copy sent to the Union.
- d) The employee is absent for illness, accident or work injury for a period exceeding sixty (60) consecutive months.

11.07 The Employer shall maintain up-to-date seniority lists and these lists shall be displayed on the boards of the home terminal on January 1st and July 1st of each year. Employees may contest such lists within thirty (30) days following the posting.

11.08 The Employer shall remit to the Union the name and the details of any new employee within ten (10) business days following his entry into service.

11.09

- a) All employees who occupy or may occupy supervisory positions with the Employer and who are on the list in Appendix I shall maintain and continue to accumulate their seniority for a period of four (4) months on the same level as the other employees. After a period of four (4) months in a supervisory position, the employee will lose their seniority.
- b) In the event of a reduction of management personnel, demotions or other events caused by the Employer, the affected management

personnel may exercise their seniority in order to displace another employee if he is qualified and if his seniority permits.

- c) An employee who occupies a supervisory position with the Employer and who, of his own initiative, decides to exercise his seniority in order to displace another employee, if he is qualified and if his seniority permits, may benefit from this privilege provided for in article 11.09 (a) one time only.
- d) An employee who occupies a supervisory position with the Employer shall pay his dues (from the date of signature of the present collective agreement), even if he has no right to participate in or vote at the union meeting.

11.10 A position becomes vacant following the death, retirement, abandon, dismissal, promotion, permanent transfer or demotion of the employee holding the position as well as following the creation of a new employment or of a new position.

11.11 Where the Employer desires to fill a vacant position, the following procedure applies:

- a) The position must be posted for seven (7) calendar days on the posting boards at the home terminals in Megantic, Lennoxville, Sherbrooke, Bromont, Cowansville and Farnham. The posting must mention the title of the position to be filled, if the position is temporary or permanent, the effective salary rate, the work schedule, the location and the effective date. Status quo is maintained for running trade employees.
- b) Employees wishing to apply for a vacant position must fill out an application provided for this purpose and send it to the Employer along with a copy to the Union. If the employee changes department, he will be assigned a new seniority date in that department. This loss of seniority will not affect the employee's original seniority date for vacation eligibility. Vacation selection will be by the new department's seniority date. For cases of sickness and/or accidents requiring accommodation, the employee may be transferred to another department without loss of seniority and associated rights, and without affecting his right to change departments.
- c) In the five (5) working days following the end of the posting period and the vacancy period that the posting can have created, the employer posts the result of the bulletin and the result of any subsequent vacancy created by this bulletin with a copy sent to the union. The position will be awarded to the qualified employee who put a bid in for the vacant position, according to seniority.

- d) If an employee is absent from work during the posting of a vacant position, he may, upon his return, claim the vacant position if his seniority permits.
- e) With the exception of running trade employees, in the case where no employee submits his candidacy for a vacant position, the Employer must follow a back to work procedure before hiring a new employee to fill the vacant position.
- f) If a Locomotive Engineer or a Conductor is required at a home terminal, this position shall first be offered to the most senior Locomotive Engineer or Conductor, as applicable. The least senior Locomotive Engineer or Conductor, as applicable, of this home terminal shall accept this position if no other employee desires the position.

If no employee can fill the position, it shall be filled by an employee of an external terminal, starting by the most senior employee, if he wishes, to the most junior at this external terminal. The junior employee at of this external terminal must accept this position if no other employee desires it. The employee shall have the right to expenses in accordance with Article 17.00.

- 11.12 With the exception of running trade employees, the Employer may assign an employee to fill a vacant position in accordance with Article 11.11, if the vacant position is for less than thirty (30) days.
- 11.13 After the period of thirty (30) days stipulated in Article 11.12, the Employer must post the vacant position.
- 11.14 In the event that a position becomes temporarily vacant, for a period of more than thirty (30) business days, following an absence justified in writing for reasons of illness, maternity, parental leave, accident or work injury or for an authorized leave without pay, the Employer shall post the position.
- 11.15 Preference shall be awarded to qualified employees by order of seniority for the assignment of the temporarily vacant position.
- 11.16 The employee who obtains a temporary position in accordance with Article 11.15 may submit his candidacy for a permanent position if such a position is posted during the time when he is assigned such a temporary position.
- 11.17 Upon the return of the absent employee such as defined under Article 11.14, the absent employee resumes his regular position and the temporarily assigned employee to this position returns to his previous position and so forth.

11.18 During a reduction of personnel or layoff, the displacement must be made on the business day following the notice of reduction given by the Employer, and the following procedure shall apply:

- a) The employee whose position is closed on a permanent or temporary basis shall advise his supervisor by mentioning which employee he wishes to displace, in accordance with his department seniority, for a position for which he is qualified.
- b) If no other position is available in his department, he may displace an employee in another department, if he is qualified for the position and if his seniority permits.
- c) If the employee does not have the training he needs in order to be displaced to another department, the Employer shall provide him with the training he needs in order to be displaced to another department, in accordance with his seniority and the Employer's needs, if the employee has a minimum of three (3) years of service with the Employer. The Employer may limit this obligation to two employees in training even if other qualified employees are available under this Article.
- d) All employees are able to bid on positions in Operations, Engineering and Mechanical. Once training is completed, seniority shall be respected above all.

11.19 The recall after a layoff shall be made in order of seniority, in the reverse order of the layoff procedure. An employee being called back for work for less than thirty (30) days may refuse this call without losing any seniority.

11.20 It is understood that employees from Farnham Engineering have no right to displace employees from Mégantic (Lennoxville CDAC) Engineering, and vice versa for Mégantic (Lennoxville CDAC) employees with respect to Farnham employees.

An employee hired at the start of operations who is affected by a lay-off cannot displace an employee who was also hired at the start of operations in a department other than his own, even if he has greater seniority.

12.0 NEW ACQUISITIONS

12.01 Unless there is an order to the contrary from a governmental or authorized governmental agency, if the Company, a subsidiary or a new subsidiary acquires the tracks or supplementary territories in Quebec and the acquired tracks or territories include the hiring of active employees on these tracks or territories, they must be subjected to the terms and conditions of this

collective agreement. The employees hired at the time of the acquisition shall be placed at the bottom of the Central Maine and Quebec Railway Canada Inc. seniority list, unless one of the conditions for such an acquisition requires the employees' successor rights to be maintained. The Employer undertakes not to influence any request for the protection of the employees' successor rights.

12.02 The combination of train operations that overlap between the territories may be established on a prorated mileage or hourly basis in order to equalize employee groups.

12.03 If the Employer initiates a major change or a move of its operations as they exist on January 1st, 2005, the Employer undertakes to negotiate with the Union terms and conditions regarding the affected employees' compensation.

13.0 ASSIGNMENTS

13.01 Two spare lists are in place for Locomotive Engineers and Conductors only. A Locomotive Engineer, when called upon to work as a Conductor, shall be eligible to receive the Locomotive Engineer's rates, unless the Locomotive Engineer has chosen to work as a Conductor on a voluntary basis, considering that he could have worked as a Locomotive Engineer.

13.02 The Employer and the Union may establish home terminals, lists of non-assigned services and spare lists for Locomotive Engineers and Conductors/Brakemen respectively. Depending on the service needs, the Employer may establish home terminals (districts) and spare lists in other areas with the Union's agreement. The home terminals for the running trade employees are Farnham and Sherbrooke. For the non-assigned services (pool), Sherbrooke, Mégantic and Jackman are the remote home terminals for Farnham and Sherbrooke employees.

13.03 All assignments shall be filled by the non-assigned services and spare list, on a first in, first out basis. If a vacancy occurs in the assigned or the non-assigned services, an employee on the spare list shall be called to fill this position. If this position remains open for seven (7) days or more, an employee may claim this position by beginning with the highest in seniority, should he so desire.

If an employee claims this position on the seventh (7th) day and he obtains this position, this position will belong to him up until the absent employee returns.

13.04 In the event of a planned absence of seven (7) days or more, an employee may claim the position of the absent employee, in accordance with his seniority and qualifications, on the first day of absence. The seven (7) day period begins upon the first day of absence of the employee.

The employee who, due to his seniority, is eligible to apply for a vacant

temporary position and who does not exercise this right at the first opportunity, shall lose his right to claim such vacant position, unless he is displaced or laid off.

- 13.05 The Employer and the Union may maintain a sufficient number of employees in regular services, non-assigned services and spare lists in order to protect the service and allocate vacation and reasonable absences.
- 13.06 All the positions in the Operations department shall be re-posted twice per year, in April and November in all sectors, including non-assigned shifts, assigned service and spare list, in order to permit employees the opportunity to exercise their seniority on another position.
- 13.07 All employees may place themselves on the available list with the Dispatching office two (2) hours before the end of their tour of duty.
- 13.08 Running trade employees assigned to main track service (pool) and to the spare list shall be guaranteed a minimum of ten (10) days per pay period at the daily rate.
- 13.09 With the exception of rest period provided in Article 14.13 of this collective agreement, running trade employees are not eligible for the guarantee provided at Article 13.09 if they are absent from work for any other reason, such as missing a call, sickness and work accident.

Running trade employees shall not be penalized for any leave provided for in this collective agreement and paid by the Employer or if the employee exercises his seniority rights on another assignment, as per the provisions of the collective agreement.

“CMQR shall make all necessary efforts to grant a vacation day or a personal day to employees in order to avoid taking a day off without pay or lose the spare list guarantee.”

14.0 CALLING PROCEDURES

- 14.01 The employee shall have a telephone, cellular telephone or a pager in order to be called and contacted at all times. He must provide the Employer with his numbers.
- 14.02 The employee must normally be called at least two (2) hours before the required hour for his tour of duty, except in cases where circumstances prevent such advance notice. In such a situation, the employee shall be required to present himself as soon as safely possible. When the employee has to report outside of his terminal, the employee shall have a right to expenses in accordance with Article 17.

- 14.03 Spare employees will cover regular assignments, unassigned assignments and spare list.
- 14.04 There are two (2) spare lists at Farnham. One for the Locomotive Engineers and one for the Conductors. Based on operational needs, the Employer can create a Conductor spare list or a Locomotive Engineer spare list or both, in Sherbrooke.
- 14.05 The employees on the spare list mentioned at Article 14.04 will be called on a first-in, first-out basis.
- 14.06 If a Locomotive Engineer or a Conductor is required at a home terminal, this assignment shall first be offered to the most senior Locomotive Engineer or Conductor, as applicable. The least senior Locomotive Engineer or Conductor, as applicable, of this home terminal shall accept this assignment if no other employee desires the assignment.
- If no employee can fulfill the assignment, this assignment shall be fulfilled by an employee of a remote home terminal, starting by the most senior employee to the junior of this remote home terminal. The junior of this remote home terminal shall accept this assignment if no other employee desires the assignment. The employee shall have the right to expenses in accordance with Article 17.00.
- 14.07
- a) An employee shall be "out of service" or "ill", for a minimum period of twelve (12) hours).
 - b) An employee who "misses" or "refuses" a call, shall be placed on the list upon the return of the employee who has been called for the position and shall be placed behind such employee or twelve (12) hours later.
 - c) The employee who "misses" or "refuses" a call, may, after twelve (12) hours of waiting for his position, be placed on availability. If there is no available employee, the twelve (12) hours shall be applied at the Employer's discretion.
- 14.08 An employee cannot be unavailable if there are not enough available employees on the spare list, except in cases of emergency or illness.
- 14.09 A running trade employee who is called to work and cancelled before reporting to work, shall be paid two (2) hours on the basis of 1/8 of his regular daily rate, in conformity with Article 10.01.
- 14.10 A running trade employee who is called to work and is cancelled after reporting to work, shall be paid four (4) hours on the basis of 1/8 of his regular daily rate,

in conformity with Article 10.01.

14.11 A running trade employee who, due to an error by Dispatching office, has not been called when he should have been called shall be paid half day at his daily rate, in conformity with article 10.01, "retaining his turn". However, if he does not work during that day due to this error, he shall be paid one (1) full day at his daily rate, in conformity with article 10.01, "retaining his turn".

14.12 A copy of the call list shall be posted after all shifts where the bulletins register is located, every eight (8) hours.

14.13

a) Running trade employees returning to their home terminal at the end of a tour of duty of less than eight (8) hours may, at their discretion, book rest for a maximum period of eight (8) hours and a minimum period of five (5) hours.

b) Running trade employees returning to their home terminal at the end of a tour of duty of more than eight (8) hours may, at their discretion, book rest for a period of twelve (12) hours.

c) A running trade employee who is far from his home terminal for more than thirty-six (36) hours may, at his discretion, book rest for a period of fourteen (14) hours.

For the purposes of this Article, the calculation of the duration of the period during which an employee is far from his home terminal shall begin when the employee first enters his home terminal and shall end when the employee re- enters his home terminal at the end of his assignment.

14.14 Running trade employees arriving at their away-from-home terminal after a tour of duty of at least 8 hours can, if they so desire, book rest for a period of 8 hours or less.

14.15 The rest period provided for in Article 14.13 and 14.14 does not include call time provided in Article 14.02.

14.16 Article 14.13 and 14.14 do not apply after deadheading.

14.17 Employees may book a rest period within two (2) hours following the end of their shift. Upon the employee's decision to benefit from this privilege, he will not benefit from any right to be assigned. The name of the employee is automatically put back on the list at the expiry of this time.

14.18 Despite the rest period provided in Article 14.13 and 14.14 an employee in assigned service must be available to cover his regular assignment.

15.0 PROGRESSIVE HIRING RATES

- 15.01 All newly-hired employees shall be paid at 80% of the salary of the position or qualification for which they have been hired.
- 15.02 A new employee's salary stipulated at Article 15.01 shall be increased progressively by 5% every six (6) months starting from the hiring date.
- 15.03 The Employer may hire a new employee at the maximum salary rate of the position but never at a superior rate for this position.
- 15.04 All calendar months in which an employee does not work due to an authorized leave, voluntary absence or suspension, shall not count towards the achievement of the twenty-four (24) month period.
- 15.05 An employee who bids on a posted position with a lower salary rate than his and is granted this position, will be paid the rate of the position.

16.0 BENEFITS

- 16.01 The Employer undertakes to maintain the group insurance policy presented to the Union on April 4, 2012 for all employees in effect upon the collective agreement's signature. The Employer shall furnish a copy of the group insurance policy to the Union.
- 16.02 The Employer will maintain the retirement plan in effect on December 31st, 1999 for all employees.

17.0 TRAVEL EXPENSES

- 17.01 Running trade employees who finish their tour of duty and are held at a terminal other than their home terminal for more than fourteen (14) hours, shall be paid on an hourly rate of 1/8 of their daily rate starting one (1) minute after the fourteenth hour (14th) and this up until they are recalled to work. This article will be effective from the date of signature.
- 17.02 Employees who are called to cover an assignment outside their terminal shall be compensated for their car and meal expenses, as well as lodging, which will be provided by the Employer if called for two (2) days or more. The employee shall choose this option if he wishes to travel on a daily basis with his automobile or opts for lodging. In this case, the employee shall have the right to the expenses mentioned in Article 17.00.
- 17.03 Effective April 1st, 2005, running trade employees who finish their tour of duty and are held at a terminal other than their home terminal for a period of more than four (4) hours will be granted a meal expense of \$12.70. An additional meal expense shall be allowed after having been held for an

additional period of eight (8) hours. Effective January 1st, 2006, the meal expense, as stipulated in the present article, shall be adjusted (increased or decreased) on January 1st of each year in order to reflect the Consumer Price Index fluctuations.

- 17.04 Employees required to report for a work shift at a point other than their home terminal and who are not provided with transportation by the Employer will be allocated, for the use of their vehicle from their home terminal, the indemnity provided by the applicable tax legislation. The indemnity for mileage travelled shall be adjusted when tax legislation amendments come into force.
- 17.05 Employees required to report for work at a point other than their home terminal, either by automobile or other, shall be remunerated at their regular hourly rate or an hourly rate calculated at 1/8 of their daily rate, when applicable, based on the time established by the Employer and the Union.
- 17.06 An employee required to cover an assignment outside of his home terminal for two days or more, will be entitled to a meal allowance of \$37.50 per day starting on January 1st, 2006, and of \$40.00 per day starting on January 1st, 2008.
- 17.07 A non-ops employee required to report to a point other than his home terminal for two (2) days or more will be granted traveling expenses.
- 17.08 Effective April 1st, 2005, running trade employees who are required to report to a work shift outside their home terminal for a day will be allocated a meal expense of \$12.70. Effective January 1st, 2006, the meal expense, as stipulated in the present article, shall be adjusted (increased or decreased) on January 1st of each year in order to reflect the Consumer Price Index fluctuations.
- 17.09 The Employer shall provide transportation by automobile, taxi or train for the employee required to report to a terminal other than his home terminal.

18.0 PROMOTION

- 18.01 Employees of the bargaining unit have priority over any other applicant with respect to posting. If an employee is not qualified for the position posted, the employer shall provide him with the appropriate training.
- 18.02 Such as provided for under this Article with sufficient competence, the Utilities must be promoted as Conductor and Mechanical Helper in order of seniority. The Utilities and Mechanical Helpers must establish their seniority in accordance with their order of seniority as Utility. The Utilities must expect to pass a Conductor's exam at the latest within twelve (12)-calendar months after having established their seniority in the Operations Department. If a Utility does not

succeed in qualifying as a Conductor at the initial exam, he will have another opportunity to pass the Conductor's exam within thirty (30)-calendar days. If he does not qualify at the second opportunity, he may be dismissed.

- 18.03 Locomotive Engineers whose seniority does not allow them to hold a regular or spare position shall exercise their, seniority as Conductor/Utility or Mechanical Helper or any other seniority.

Depending on the service requirement (Operations, Engineering or Mechanical), the employees promoted as Locomotive Engineer but holding a regular position in another sector may be used as temporary Locomotive Engineers. In the same way, Locomotive Engineers holding regular positions may be used as Conductors or Mechanical Helpers, or, if qualified, for any other position, on a temporary basis, subject to the condition that they shall receive all lost salary.

19.0 CREW REQUIREMENTS

- 19.01 Crew members of assignments shall be determined by the Employer subject to a team formed of at least one locomotive mechanic and one train conductor.

The Employer shall not assign only one employee per train, nor use locomotive remote control operations equipment if it would lead to the lay-off of one or more Protected Running-Trade Employees.

For the purposes of the present Article, the "Protected Running-Trade Employees" refer to the employees mentioned on the Seniority List in Appendix I.

The work known as one employee per train, firstly, and the work involving remote control operations equipment, secondly, shall be offered, in priority and according to seniority, to Locomotive Engineers and, afterwards, also according to seniority, to Conductors.

The Employer undertakes to set up an *ad hoc* parity committee to clarify the terms and conditions setting up working methods regarding one employee per train, on the first part, and the remote-control operations equipment, on the other part.

- 19.02 Despite the provisions of Article 11.00, the Employer reserves the right to select any employee whatsoever for the operation of a train composed of the Company's service cars.

- 19.03 The Employer may use a Utility to assist in one or several assignments during his tour of duty.

- 19.04 Employees of an assignment may be used for more than one assignment during their tour of duty such as required by the Employer and without penalty.

20.0 DEADHEADING

- 20.01 Employees who are called to deadhead either by train or by road to a point where they may be held under rest for service, will be entitled to the basic rate of pay for one day for the position worked. The employees called to deadhead after having completed their tour of duty and being under rest will also be entitled to the basic rate of pay for one day for the position worked.
- 20.02 Deadheading and train service may be combined on a continuous time basis for pay purposes, for traffic requirements, and when these are combined, the employees will be paid no less than the minimum basic daily rate for combined service and deadheading.
- 20.03 Deadheading will not be paid to the employees who deadhead at their own convenience or when they exercise their seniority.

21.0 LEAVE OF ABSENCE

- 21.01 An employee may be absent from work, without pay, for ten (10) days per year to fulfill obligations relating to the care, health or education of the employee's child or the child of the employee's spouse, or because of the state of health of the employee's spouse, father, mother, brother, sister or one of the employee's grandparents.
- 21.02 An employee may be absent from work, without pay, for a period of not more than twelve (12) weeks over a period of twelve (12) months where his presence is required with his child, spouse, the child of his spouse, his father, mother, brother, sister or one of his grandparents because of a serious illness or a serious accident.
- 21.03 All requests for leaves of absence without pay must be submitted in writing to the Employer and the Union as soon as possible. If a leave of absence is granted, the Employer shall send confirmation in writing, with the Union's consent.

22.0 WITNESS DUTY

- 22.01 Employees and the Union called by the Company to appear in Court for an investigation or other important business issue implicating the protection of or in the interest of the Company, must be paid for their lost wages, minus the compensations received as a witness, if any. The employees required to present themselves to such hearings during their days of rest or during the days where they are not scheduled to work, shall be compensated at the daily salary rate of their last accomplished work, minus the compensations received as a witness, if any. If they are required to be outside the city, the necessary and actual expenses shall be reimbursed.

23.0 JURY DUTY

- 23.01 Employees who are summoned as jurors or witnesses, called by subpoena and who lose work hours as a result, shall be paid for the time effectively lost, minus the compensations received for functions as a juror or witness for each day of work paid by the Employer, with the exception of the indemnities paid by the Court for meals, lodging and traveling expenses, subject to the following conditions and restrictions:
- a) The employee must furnish to the Employer a Court Attestation indicating the indemnities paid and the days where he exercised jury duty or acted as witness.
 - b) Jury duty is not remunerated when it is exercised on a holiday, an annual paid holiday, a personal leave, a bereavement leave and any other remunerated leave.

24.0 BEREAVEMENT LEAVE

- 24.01 Upon the death of an employee's spouse or his common-law spouse, his father, his mother or his child or one of his spouse's or common-law spouse's children, his grand-child or his spouse's or common-law spouse's grand-child, the employee shall be entitled to five (5) bereavement days without any loss in pay, but no payment of overtime.
- 24.02 Upon the death of his father-in-law, mother-in-law, brother, sister, spouse's or common-law spouse's brother or sister, brother or sister by remarriage, or a grand-parent or his spouse's or common-law spouse's grand-parents, the employee shall be entitled to three (3) bereavement days without any loss in pay, but no payment of overtime.
- 24.03 The term "common law spouse" in Article 24.01 shall be interpreted according to the Canadian Human Rights Act and the insurance program.
- 24.04 Employee wishing to take a bereavement leave shall advise their supervisors. The Employer shall post a memo on the bulletin board informing the employees of the loss.

25.0 STATUTORY HOLIDAYS

- 25.01 The following statutory holidays shall be observed on the day they are observed by Quebec's provincial government in all departments.

Effective from signature date

New Year's Day

January 2nd

Good Friday

Victoria Day
Saint-Jean-Baptiste
Canada Day
First Monday in August
Labour Day
Thanksgiving
Christmas Day
Boxing Day

25.02 In order to benefit from a statutory holiday, an employee must not have been absent from work without the employer's authorization or without a valid cause on the working day preceding or on the working day following the holiday.

25.03 All employees are entitled to a statutory holiday pay equal to one tour of duty at the regular hourly rate. If an employee is required to work on the statutory holiday, other than December 25th or January 1st, he shall be paid at time-and-a half for every hour worked in addition to the statutory holiday pay. If an employee is required to work on December 25th or January 1st, they shall be paid at double-time in addition to the statutory holiday pay. Payment of overtime is only applicable when an employee works on the actual holiday and not the observed holiday.

26.0 PERSONAL LEAVE

26.01 Employees shall have the right to three (3) remunerated days of personal leave during each calendar year. Each day of personal leave shall be remunerated at the rate of the last assignment performed before taking the personal leave. Personal leave days must be taken before December 31st of each year otherwise they will be reimbursed.

26.02 Personal leave days must be taken one at a time and a minimum of twenty-four (24) hours' notice must be given to the employee's supervisor. Personal leave requests shall be authorized unless service needs do not allow for it and they shall be scheduled on a first come first serve basis. In cases where a day of personal leave must be cancelled for service requirements, the employee and the Employer shall mutually agree to a later date.

27.0 ANNUAL VACATIONS

27.01 Annual vacations shall be granted to employees according to seniority. An employee must have worked one hundred and twenty (120) days during a calendar year in order to be eligible for vacations the following year. A day of work is considered a day when the employee is physically present at work.

27.02 Starting on January 1st, 2006, vacations shall be granted as follows:

Years of Service	Number of Weeks of Vacation	Vacation Pay
2 years or less	2 weeks	2 weeks of salary or 4%*
5 years	3 weeks	3 weeks of salary or 6%*
10 years	4 weeks	4 weeks of salary or 8%*
22 years	5 weeks	5 weeks of salary or 10%*

*Whichever is higher

27.03 Employees who commenced their service with the Company and who were CP Rail employees just prior, shall have their years of service with CP Rail credited as a year of service regarding vacations under this Article.

27.04 Subject to service needs, employees shall have the right to schedule their vacations throughout the calendar year. Each employee shall submit a vacation request form between the 15th of December and the 31st of January, specifying his vacation preferences for the upcoming year. Any employee who does not submit a vacation request form before the deadline of January 31st will be assigned vacation dates by the Company. Vacation request forms shall be furnished by the Employer to each home terminal. If an employee wishes to take his holidays between January 1st of the current year and the time the results of the vacation selections are known, he must advise his supervisor. Vacation requests for this period are granted based on seniority. It is understood that the final vacation selection results shall be posted by the Employer no later than the following February 1st.

27.05 Subject to operational needs and the requests for annual vacation, the Employer and the Union will produce a vacation schedule throughout the following calendar year. Vacation entitlement will be given according to the employees' seniority and operation requirements. However, no employee shall be allowed to take more than three (3) weeks of holidays during the months of June, July and August. The Employer and the Union may rule on how many employees can be on vacation during the same period.

27.06 Unless otherwise determined locally, all vacation periods, whenever possible, shall start on Saturday at 00:01 and end on Friday at 23:59. An employee who has a regular assignment is entitled to vacations immediately after his last work shift. Under no circumstances is this Article intended to provide more rights to the employee than those provided by Articles 27.01 and 27.02 of this collective agreement.

27.07 Vacation days cannot be accumulated or postponed from one year to the next. Vacation days accrued and accumulated but not taken during a calendar year shall be paid out to the employee at the end of that calendar year.

27.08 If an employee is laid-off for whatever reason, he must be paid for all of his accumulated vacations at the time of his departure. In the case of the death

of an employee, the vacation indemnity that has been accumulated but not used, must be paid to his estate.

- 27.09 Employees cannot take more than five (5) days of vacation as single days. Any other day authorized after five (5) days shall be taken as part of a complete week by five (5) day periods, unless the Employer and the Union agree otherwise.
- 27.10 The number of allowable vacation weeks to which an employee is entitled are counted in accordance with the "Vacation Seniority Anniversary Date", as provided in Appendix I.
- 27.11 Employees have the right to change their vacation dates if they are not already taken by another employee. The new available dates shall be posted.

28.0 WORKPLACE HEALTH AND SAFETY

- 28.01 With the goal of promoting well-being, health and safety in the workplace, the Employer, the Union and the employees shall cooperate to ensure obedience to all rules relating to railroad operation.
- 28.02 The Employer shall provide employees with any safety equipment required for the execution of work, free of charge, and shall see to the maintenance of such equipment.
- 28.03 The Employer agrees to reimburse the employee the amount of up \$150.00 per calendar year for the purchase of safety boots. In order to benefit from this reimbursement, the employee shall provide his supervisor with a receipt showing proof of purchase.
- 28.04 The Employer is not held to apply the recommendations or decisions of the Commission de la santé et sécurité au travail (CSST) for as long as such recommendations or decisions are not final, after grievance or appeal, as the case may be.
- 28.05 The Employer shall make available to all employees first aid kits that are complete and easily accessible.
- 28.06 Employees must report any work accidents to the Employer immediately and the Employer shall submit the necessary documentation to the Commission de la santé et sécurité au travail (CSST) and a copy shall be remitted to the employee.
- 28.07 When an employee is injured at work, the employee shall be assisted immediately and, if necessary, transported to a physician or a hospital using the quickest possible mode of transportation, to be paid by the Employer.
- 28.08 An employee who is injured at work shall be remunerated for the day of work during which he was injured. The Employer may require a doctor's

certificate.

- 28.09 The employee who intentionally commits fraud concerning injuries that he alleges to have incurred at work, is subject to serious disciplinary measures, up to and including dismissal, subject to the grievance procedure. The burden of evidence in this case is borne by the Employer.
- 28.10 The parties agree to form a committee for Workplace Health and Safety, composed of two (2) Union representatives and two (2) Employer representatives. This committee sits and exercises its functions in accordance with the terms and conditions provided by law.
- 28.11 The Employer shall ensure the availability of first aid and medical assistance in the workplace.
- 28.12 The Committee shall meet at least once a month, or as required.
- 28.13 The employees who participate in the work of the committee are considered to be at work and are paid at their position's regular rate.
- 28.14 An employee who, following a work injury or an occupational injury, is returned to work by his physician must do so immediately unless he has a valid reason, the burden of which is imposed upon him, otherwise he is subject to disciplinary measures.
- 28.15 All exams required by the Employer shall be paid for by the Employer including salary and personal expenses, if need be.
- 28.16 Each calendar year, the employer shall reimburse 100% of the costs incurred by an employee for the purchase of one pair of safety glasses with corrective lenses adapted to his vision, up to \$500.00 per year. In order to be reimbursed, an employee must present a receipt detailing such purchase and any safety glasses purchased must meet the standards set out in the CSX Standard CAN/CSX Z94.3-M88 or any other standard that may come into effect.

29.0 FACILITIES

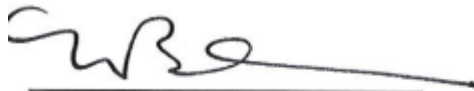
- 29.01 Toilets and locker facilities must be provided at locations where employees are required to report for their work shifts.
- 29.02 The Employer must provide suitable lodgings, as well as transportation to said lodging, to the employees who, at the end of their shift, are held away from their home terminal. The lodgings must be at a reasonable distance and must have adequate facilities for meals. The Employer undertakes that the third party from whom the premises are rented ensure their cleanliness and their sanitation. It shall be the responsibility of the employees to ensure that the premises remain clean and in good order.

- 29.03 The Employer must furnish a refrigerator, drinking water and a toilet in the locomotives for the train crews' use.
- 29.04 Running-trade employees shall be responsible for keeping the locomotive cabs clean and in good order. To that end, the Employer shall provide them with the necessary cleaning products and equipment.

30.0 DURATION OF AGREEMENT

- 30.01 This collective agreement will enter into effect on January 1st, 2022 and it will end on December 31st, 2026. Upon its expiry, its terms and conditions will all remain in effect until the execution of the next collective agreement.
- 30.02 In case of dispute or conflict in the interpretation or application of this collective agreement, the French version shall prevail over the English version. The Employer must ensure the translation of the collective agreement into English, provide a copy in booklet form to each employee in the language of choice, and provide a sufficient number of copies to the Union.

For Central Maine & Quebec Railway:

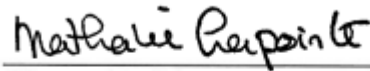


Myron Becker
Chief Labour Officer



David Pezzaniti
Director
Labour Relations

For USW:



Steven Hadden
President
TC Local 1976 USW



Nancy Lapointe
Vice President/Financial Secretary
TC Local 1976 USW

Francine Billings

Francine Billings
Assistant Director
Labour Relations

Annie Daigneault

Annie Daigneault
Staff Representative
TC Local 1976 USW

Erin Carriere

Erin Carriere
Manager
Labour Relations

Remy Caron

Remy Caron
TC Local 1976 USW

Razvan Mitchell

Razvan Mitchell
TC Local 1976 USW

Francois Daigle

Francois Daigle
TC Local 1976 USW

APPENDIX I

CANADIAN RAILWAY OFFICE OF ARBITRATION AND DISPUTE RESOLUTION

MEMORANDUM OF AGREEMENT made this 20th day of May 2004 to amend and renew the founding agreement establishing the Canadian Railway Office of Arbitration dated the 7th day of January 1965 (as amended and renewed since that date).

IT IS AGREED by and between the signatories as follows:

1. There shall be established in Montreal, Canada, the Canadian Railway Office of Arbitration and Dispute Resolution, hereinafter called the "Office of Arbitration" or "CROA&DR".
2. The administrative responsibilities for providing and administering necessary clerical staff, premises, facilities and other arrangements necessary to enable the arbitrators to exercise their function shall be discharged by an Administrative Committee (hereinafter called "the Committee") responsible to the signatories hereto. The Committee shall be composed of one representative appointed by each of the signatories whose names appear in Appendix "A" and in Appendix "B" hereof.

It is understood that the parties signatory hereto, expressly agree that nothing herein, or in the revisions agreed upon to the original Memorandum of Agreement establishing the Canadian Railway Office of Arbitration rules, will be used to circumvent or prejudice established jurisprudence, collective agreement procedures, policies, practices or negotiations, etc., either now or in the future.

3. Three arbitrators shall be appointed by the signatories hereto who shall have the duties and functions set out herein. Subject to review and replacement as seen fit by the Committee, arbitrators will be offered one or two year terms at the Committee's discretion. An arbitrator may be replaced at any time by mutual agreement of the signatories, temporarily or permanently in the event of their inability, refusal or failure to exercise their functions.
4. Based on experience gained at the Office of Arbitration, the senior arbitrator will be designated as Chief Arbitrator. The additional arbitrators will be designated as Second Arbitrator and Third Arbitrator. In the interests of the integrity and the continuity of the Office of Arbitration, the Chief Arbitrator will act as a mentor who may be consulted by the Second and Third Arbitrators on any matter related to the performance of their duties and functions.
5. The three arbitrators will be scheduled on a rotation basis by the Committee. New arbitrators shall be placed on the roster for two months in their first year of service and thereafter as determined by the committee.
6. The jurisdiction of the arbitrators shall extend and be limited to the arbitration, at the instance in each case of a railway, being a signatory hereto, or of one or more of its employees represented by a bargaining agent, being a signatory hereto, of;
 - (A) disputes respecting the meaning or alleged violation of any one or more of the provisions of a valid and subsisting collective agreement between such railway and bargaining agent, including any claims, related to such provisions, that an employee has been unjustly disciplined or discharged; and
 - (B) other disputes that, under a provision of a valid and subsisting collective agreement

between such railway and bargaining agent, are required to be referred to the Canadian Railway Office of Arbitration & Disputes Resolution for final and binding settlement by arbitration;

but such jurisdiction shall be conditioned always upon the submission of the dispute to the Office of Arbitration in strict accordance with the terms of this agreement.

7. A request for arbitration of a dispute shall be made by filing notice thereof with the Office of Arbitration not later than the eighth day of the month preceding that in which the hearing is to take place and on the same date a copy of such filed notice shall be transmitted to the other party to the grievance.

A request for arbitration respecting a dispute of the nature set forth in section (A) of clause 6 shall contain or shall be accompanied by a "Joint Statement of Issue". A request for arbitration of a dispute of the nature referred to in section (B) of clause 6 shall be accompanied by such documents as are specifically required to be submitted by the terms of the collective agreement which governs the respective dispute.

Commencing on the second Tuesday in each month, the scheduled arbitrator shall hear such disputes as have been filed in the Office of Arbitration, in accordance with the procedure set forth in this clause 7. No hearing shall be held in the month from time to time appointed for the purposes of vacation, nor shall a hearing be held in any other month unless there are awaiting such hearing at least two requests for arbitration that were filed by the eighth day of the preceding month, except that the hearing of a dispute shall not be delayed for the latter reason only for more than one month.

8. Subject always to the provisions of this agreement and the guidelines appended hereto, the scheduled arbitrator shall make all determinations necessary for the hearing of disputes. Guidelines governing the operation of the CROA&DR may be established and/or amended from time to time as deemed necessary by the Committee.
9. No dispute of the nature set forth in section (A) of clause 6 may be referred to arbitration until it has first been processed through the last step of the grievance procedure provided for in the applicable collective agreement. Failing final disposition under the said procedure a request for arbitration may be made but only in the manner and within the period provided for that purpose in the applicable collective agreement in effect from time to time or, if no such period is fixed in the applicable collective agreement in respect to disputes of the nature set forth in section (A) of clause 6, within the period of 60 days from the date decision was rendered in the last step of the grievance procedure.

No dispute of the nature set forth in section (B) of clause 6 may be referred to the Office of Arbitration until it has first been processed through such prior steps as are specified in the applicable collective agreement.

10. The joint statement of issue referred to in clause 7 hereof shall contain the facts of the dispute and reference to the specific provision or provisions of the collective agreement where it is alleged that the collective agreement had been misinterpreted or violated. In the event that the parties cannot agree upon such joint statement either or each upon forty-eight (48) hours' notice in writing to the other may apply to the Office of Arbitration for permission to submit a separate statement and proceed to a hearing. The scheduled arbitrator shall have the sole authority to grant or refuse such application.
11. The arbitrator shall not decide a dispute without a hearing. At the hearing, each party shall submit to the arbitrator a written statement of its position together with the evidence and argument in

support thereof.

12. The parties to a dispute submitted to the Office of Arbitration may at any hearing be represented by Counsel or otherwise as they may respectively elect.
13. The arbitrator may make such investigation as he/she deems proper and may require that the examination of witnesses be under oath or affirmation. Each party to a dispute shall have the right to examine all witnesses called to give evidence at the hearing. The arbitrator shall not be bound by the rules of evidence and practice applicable to proceedings before courts of record but may receive, hear, request and consider any evidence which he/she may consider relevant.
14. The decision of the arbitrator shall be limited to the disputes or questions contained in the joint statement submitted by the parties or in the separate statement or statements as the case may be, or, where the applicable collective agreement itself defines and restricts the issues, conditions or questions which may be arbitrated, to such issues, conditions or questions. The Arbitrator's decision shall be rendered in writing, together with written reasons therefor, to the parties concerned within 30 calendar days following the conclusion of the hearing unless this time is extended with the concurrence of the parties to the dispute, unless the applicable collective agreement specifically provides for a different period, in which case such different period shall prevail.

The decision of the arbitrator shall not in any case add to, subtract from, modify, rescind or disregard any provision of the applicable collective agreement.

15. Each decision of an arbitrator which is made under the authority of this agreement shall be final and binding upon the Railway, the bargaining agent and all the employees concerned.
16. Through the Office of Arbitration, the arbitrator shall report the decision in each case and the reasons for such decisions to all signatories hereto.
17. The Office of Arbitration shall maintain a complete and accurate record of all disputes submitted to it and of all decisions made by an arbitrator or other dispositions respecting them, including the signed originals of all such decisions.
18. The signatories respectively shall do all such acts and things as are necessary to enable the arbitrators to make proper findings respecting the matters in dispute and no signatory shall obstruct, delay or prevent the arbitrators from proceeding with the matter before them or from making their decision.
19. The expenses of operating and administering the Office of Arbitration, including the fees and expenses of the arbitrators and all necessary clerical and technical assistance shall be borne one-half by the Appendix "A" signatories and one-half by the Appendix "B" signatories.

At the commencement of each year the Committee shall estimate the total expenses of maintaining the Office of Arbitration for the ensuing year and, at that time and from time to time thereafter during the year shall make interim preliminary assessments equally upon the Appendix "A" signatories and the Appendix "B" signatories sufficient to defray current expenses currently. At the end of each year the total annual expenses actually incurred shall be apportioned as set out and all necessary credits and debits shall be made accordingly.

20. This agreement shall be reviewed on an annual basis by the signatories hereto, which review shall take place on or before the first day of July in each year. At the time of this review the appointment of the arbitrators shall be made, subject to the provisions of clauses 3, 4 and 5 hereof, and any changes or alterations shall then be implemented as may be mutually agreed

upon between the signatories hereto.

21. Any other recognized bargaining agent, acting on behalf of the employees of a railway company which is a signatory hereto and any non-signatory railway company together with some or all of the recognized bargaining agents which represent its employees may from time to time be permitted to accede to these presents and, except as provided below, to be regarded for all the purposes hereof as if signatories hereto and as if their respective names appeared in Appendix "A", in the case of railway companies, or in Appendix "B" in the case of recognized bargaining agents, as the case may be, by filing a suitable written instrument of accession and attornment at the Office of Arbitration provided, however, that the validity and operation of every such instrument shall be conditioned upon the prior concurrence and acceptance of it by all the signatories hereto as evidenced by the subscription or endorsement by each of the said instrument before it is filed.
22. Railway Companies and recognized bargaining agents which accede to these presents, as provided for in clause 21 hereof, will not have the right or power to terminate this agreement. However, any such party may, following the first anniversary of its accession and attornment withdraw from this agreement as of the 31st day of August in any year during the term hereof by giving at least 60 days' notice in writing of its intention to withdraw to the other parties (which notice shall be given by registered prepaid post) and by filing concurrently therewith a copy of such notice with the Office of Arbitration.
23. This agreement shall commence on the first day of September, 2004 and shall remain in effect unless and until amended or terminated by the mutual agreement of the parties hereto; provided that any signatory hereto may withdraw from this agreement as of the 31st day of August in any year during the term hereof by giving at least 60 days' notice in writing of its intention to withdraw to the other parties (which notice shall be given by registered prepaid post) and by filing concurrently therewith a copy of such notice with the Office of Arbitration.

SIGNED at Montreal, Quebec, this 20th day May 2004

APPENDIX "A"

(original signed by) D. S. Fisher
Director Labour Relations
Canadian National Railways
Montreal

(original signed by) K. M Deptuck Vice-
President
Brotherhood of Maintenance of
Way Employees
Ottawa

APPENDIX "B"

(original signed by) R. Johnston
President, National Council 4000
National Automobile, Aerospace,
Transportation and General Workers Union of
Canada
Montreal

(original signed by) G. Hallé
President
Teamsters Canada Rail
Conference Ottawa

(original signed by) M. G. DeGirolamo Assistant Vice-
President, Industrial Relations Canadian Pacific Railway
Calgary

Montreal

(original signed by) J. W. Armstrong
Vice-President
United Transportation Union Edmonton

(original signed by) N. Lapointe
Présidente
United Steelworkers of America / Métallos (Local
1976)

APPENDIX II
CMQ Master Seniority List

Name	Syst	Department	Seniority Date <i>DD/MM/YYYY</i>	CP Date <i>DD/MM/YYYY</i>	Vacation Date <i>DD/MM/YYYY</i>
Cadieux, Claude	1	Transportation	28/9/1996	23/1/1980	23/12/1977
Daigle, François	2	Transportation	28/9/1996	6/3/1989	6/3/1989
Champagne, Patrice	3	Transportation	28/9/1996	14/2/1994	16/4/1980
Caron, René	4	Engineering	28/9/1996	14/2/1994	27/6/1983
Lessard, Steve	5	Signal	28/9/1996	-----	28/9/1996
Veilleux, Pascal	6	Engineering	28/9/1996	-----	28/9/1996
Aubé, Michael	7	Transportation	28/9/1996	-----	28/9/1996
Phoenix, Christian	8	Transportation	7/10/1996	-----	7/10/1996
Marrone, Johnny	9	Transportation	9/12/1996	-----	21/6/1991
Ruel, Martin	10	Engineering	28/4/1997	-----	28/4/1997
Roy, Gilles	11	Engineering	10/11/1997	-----	10/11/1997
Bouffard, Jacques	12	Engineering	23/2/1998	-----	23/2/1998
Desautel, Patrick	13	Transportation	12/2/2001	-----	12/2/2001
Cadieux, Éric	14	Transportation	25/6/2004	-----	25/6/2004
Gendreau, Yves	15	Mechanical	28/6/2005	-----	28/6/2005
Couture, Jonathan	16	Engineering	27/8/2012	-----	27/8/2012
McKenzie, Steve	17	Engineering	1/7/2014	-----	1/7/2014
Vallee, Pascal	18	Engineering	18/8/2014	-----	18/8/2014
Robert, Pierre-Luc	19	Engineering	18/8/2014	-----	18/8/2014
Paquet-Theriault, JC	20	Transportation	8/10/2014	-----	8/10/2014
Mitchell, Razvan	21	Transportation	31/3/2015	-----	31/3/2015
Gauthier, Yannick	22	Transportation	30/11/2015	-----	30/11/2015
Caron, Remy	23	Signal	29/8/2016	-----	29/8/2016
Laro, Tyson	24	Transportation	16/5/2017	-----	16/5/2017
Poirier, Simon	25	Signal	23/8/2017	-----	23/8/2017
Desroches, Frederic	26	Engineering	22/1/2018	-----	22/1/2018
Brooks-Gauthier, Charles	27	Transportation	22/1/2018	-----	22/1/2018
Boulanger, Nicholas	28	Engineering	15/6/2018	-----	15/6/2018
Kent, Bobby	29	Engineering	5/11/2018	-----	5/11/2018
Lauziere, Emmanuelle	30	Transportation	5/11/2018	-----	5/11/2018
Macdonald, Bradley	31	Transportation	6/11/2020	-----	6/11/2020
Gill, Karam	32	Transportation	6/11/2020	-----	6/11/2020
Mercier, Christopher	33	Engineering	7/12/2020	-----	7/12/2020
Cyr, Zachari	34	Signal	1/2/2021	-----	1/2/2021
Brown, Matthew	35	Transportation	8/2/2021	-----	8/2/2021
Bilodeau, Remy	36	Transportation	15/2/2021	-----	15/2/2021
Murphy, Tyler	37	Transportation	15/2/2021	-----	15/2/2021
Pilon, Philippe	38	Transportation	31/5/2021	-----	31/5/2021
Lessard, Guillaume	39	Engineering	28/6/2021	-----	28/6/2021
Beaudry, Jean	40	Engineering	28/6/2021	-----	28/6/2021

APPENDIX III

Letter of Understanding on the formation of three separate lists.

Letter of Understanding on the formation of three separate lists.

- Transportation
 - Engineering
 - Mechanical
-
- Upon the signing of the agreement and at a time that is mutually agreed to by Union and Company all positions will be abolished and reposted.
 - Employees will bid on positions and will be awarded positions based on seniority. Current seniority will transfer to the department in which the employee is awarded. This is the employees' only opportunity to establish their seniority in their desired department.
 - If the employee is not qualified for the position he bid, he will be offered training and has 3 months to qualify for the new position. Should he not qualify, the employee will be allowed to transfer to his former department and place himself where is seniority will allow. Employee will lose the right to transfer to another department in the future.
 - If, during the initial abolishment and reposting of all jobs, an employee is displaced to a department not of their choosing, then the employee retains the right to change departments in the future 1 (one) time. This change can be made when a position is posted in the department of their choice.
 - When a position becomes vacant as described in article 11.10, employees wishing to change department and bidding/awarded the position will be assigned a new seniority date in that department. However, this will not affect the employee's original seniority date for vacation eligibility. Vacation selection will be by new department seniority date. These provisions shall apply as long as the employee is employed by the company.
 - In the case of layoff, Article 11.18 would continue to apply and employee would maintain his original seniority date.
 - For cases of sickness and/or accidents requiring accommodation, the employee may be transferred to another department without loss of seniority and associated rights, and would maintain his original seniority date.

Signal Department

- When all positions are abolished and reposted, only previously qualified employees will be able to bid on Signal Maintainer positions.
- The Company will continue to respect article 2.05 "where the expertise of such magnitude is not available within the Company, the work may be given to an external Company."


UNION


Company

- The Company has the ability to hire qualified signal maintainers if there is no qualified candidate in the other departments.
- If the Company is unable to hire an outside qualified signal maintainer, the position will be posted internally and employee will receive the necessary training.
- New employees will become full members of the bargaining unit and will pay the required union dues.
- Employees occupying signal maintainer positions will renounce their right to change departments unless they are laid off in which case article 11 will apply.

APPENDIX IV

December 27, 2021

Steven Hadden
202 - 2360 de Lasalle
Montreal, QC
H1V 2L1

Dear Sir,

This refers to our discussions regarding a wage increase over the 5-year term of the Collective Agreement covering January 1, 2022 through and including December 31, 2026.

The parties have agreed that the wage increase applied in the years 2022, 2023, 2024, 2025 and 2026 will be 2%, 2%, 2.5%, 3% and 3% respectively.

However, there will be the opportunity for the wage increase in the years 2024, 2025 and 2026 to escalate based on year-over-year percentage increases to the Company's Revenue Ton Mileage (RTM) metric.

RTMs are available for review externally on the Investor Relations website:

<http://investor.cpr.ca/key-metrics>.

This option will be triggered based on criteria outlined below:

1. Base for future years cannot be less than the base average performance for the period of December 1, 2017 to November 30, 2020.
2. If RTMs increase year-over-year, and have satisfied Item 1 above, the following potential General Wage Increase will be added to the currently agreed to increases:

Increase to year-over-year RTMs	< 3%	≥3-<4%	≥4-<5%	≥5%
Associated Wage Increase	0%	0.5%	0.75%	1.25%

3. For the purposes of determining the year-over year increases to RTMs the parties agree that the following twelve (12) month periods will be used in this calculation:

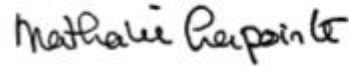
Wage Increase Effective January 1	Performance Year	Base Year Period
2024 – 2.5%	December 1, 2022 - November 30, 2023	December 1, 2021 - November 30, 2022
2025 – 3%	December 1, 2023 - November 30, 2024	December 1, 2022 - November 30, 2023
2026 – 3%	December 1, 2024 - November 30, 2025	December 1, 2023 - November 30, 2024

The parties agree that both criteria outlined above are based on freight service only. Additionally, should the Company enter into any sale or acquisition of business during these periods, the effect of any transactional impact will be removed from the RTM snapshots for all the periods outlined above.

If you concur this reflects our understanding during negotiations leading to the tentative agreement between the parties, please sign in the space provided.

Yours Truly,

For TC LOCAL 1976 USW,

Myron Becker
Chief Labor Officer

Steven Hadden
President

SIDE LETTER I

LETTER OF UNDERSTANDING REGARDING MEAL PERIODS FOR RUNNING TRADE EMPLOYEES

December 27, 2021

Steven Hadden
202 - 2360 de Lasalle
Montreal, QC
H1V 2L1

Dear Sir,

This refers to the Union's concerns raised during negotiations regarding the inconsistency of meal periods being provided to running trade employees. Specifically, the Union indicated that some employees were prevented from going to get a meal when there was an operational down time that would not impact the assignment or cause train delays. In addition, the Union stated the importance of allowing running trade employees to have time to eat when the operations permit.

In order to address these concerns, the parties agree that running trade employees should have time to eat a meal when operations permit and without delay to their assignment or operation.

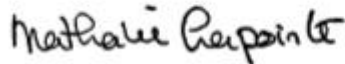
It is also understood by the parties that there may be operational circumstances where time to eat a meal cannot be provided. In situations where time to eat a meal cannot be provided, the Supervisor will advise the employee with the reason(s) for the denial.

Yours Truly,



Myron Becker
Chief Labor Officer

For TC LOCAL 1976 USW,



Steven Hadden
President

SIDE LETTER II
LETTER OF UNDERSTANDING REGARDING BUNKHOUSE ACCOMMODATION FOR RUNNING
TRADE EMPLOYEES

December 27, 2021

Steven Hadden
202 - 2360 de Lasalle
Montreal, QC
H1V 2L1

Dear Sir,

This refers to the Union's concerns raised during negotiations regarding the conditions of the bunkhouse in Jackman, Maine. Specifically, the parties addressed issues surrounding the Union's involvement in ensuring there are suitable accommodations as well as access to transportation and internet while at the away from home terminal.

In order to address those concerns, the parties agree that the Local Chairman and Assistant Superintendent, or his designate, will meet quarterly to discuss and identify potential issues with regard to the maintenance and/or other conditions of bunkhouses.

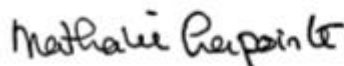
Should the Local Chairman advise the Assistant Superintendent the specifics of any particular concern which the union may have with respect to the condition or maintenance of any bunkhouse, the Assistant Superintendent will ensure that an investigation will be made as soon as possible to determine what areas, if any, may require attention and, where necessary, the action needed to correct the situation. The Local Chairman will be advised in writing the results of this investigation. Failing a resolve of the matters raised pertaining to the condition of the bunkhouse, unresolved issues would be brought to the attention of the General Chairman and the General Manager for further handling.

Yours Truly,



Myron Becker
Chief Labor Officer

For TC LOCAL 1976 USW,



Steven Hadden
President

**SIDE LETTER III
EMPLOYEE SHARE PURCHASE PROGRAM**

THIS LETTER SHALL NOT FORM PART OF THE COLLECTIVE AGREEMENT

December 27, 2021

Steven Hadden
202 - 2360 de Lasalle
Montreal, QC
H1V 2L1

Dear Sir,

This letter confirms the Company's Employee Share Purchase Plan will be made available to eligible employees in accordance with the terms of the Plan; subject to the following:

In the event of the Memorandum of Settlement dated December 27, 2021 fails ratification on or before December 31, 2021, the terms and conditions of the ESPP will not be tabled by either party in future discussions during this round of bargaining.

The Company may, at its discretion, alter, amend, revise or discontinue the Plan, in any manner, in whole or in part, provided thirty days' notice in writing is given to the Union. **This provision will not form part of any Collective Agreement.**

The following is a link on CP station that will assist employees, who wish to participate in the employee share purchase plan, in the initial signup:

<https://intranet.cpr.ca/employee/compensation/Pension/ESPP%20FAQ.pdf#search=employee%20share%20purchase%20plan>

Employee participation and the Company contribution element of the ESPP program will expire on December 31, 2026, unless otherwise determined by the Company.

Yours truly,



Myron Becker
Chief Labour Officer