

**MEMORANDUM OF UNDERSTANDING BETWEEN CANADIAN PACIFIC AND
THE TEAMSTERS CANADA RAIL CONFERENCE – (CONDUCTORS,
TRAINMEN, YARDMEN- EAST & WEST), REGARDING LAY-OFF PROVISIONS
AND ASSOCIATED PROTOCOLS**

1. Scope

- 1.1 The parties agree that the following protocols and processes will be followed as they relate to the layoff and recall Articles of the Collective Agreement.
- 1.2 This process document will supplement the present Collective Agreement Articles which deal with employee layoff (Article 65 CTY – East & West).

GENERAL PRINCIPLES

2. Notice

- 2.1 In the event of layoff, all affected junior employees at specific terminals will receive ten (10) days notice of layoff, by 22:01 Thursday, followed by written notification. Such notification will include a reference to the application cut-off date/time should an employee choose to exercise seniority.
- 2.2 Employees who choose to continue working at other terminals, will be required to submit a bid, denoting a location(s) of preference (in descending order of preference), should the employee be subject to layoff.
- 2.3 This bid form will be utilized to identify the preferred location(s) for WPP purposes.
- 2.4 Employees may amend this bid form at any time, up to and including 16:00 of the Thursday preceding the lay-off date. If no changes are provided, the bid will stand and the employee will be placed accordingly.
- 2.5 Employees who do not submit a timely bid will thereby accept lay-off.

Note: It should be noted that once lay-off is accepted, these employees may only exercise seniority upon recall or at the next General Advertisement of Assignments.

- 2.6 Upon receipt of an employee's application to exercise seniority upon lay-off, the Company may choose to issue a lay-off notice in the Terminal to which the employee has exercised seniority.

2.7 Employees who are not familiarized at the new location will be familiarized as per the Collective Agreement.

2.8 This process will continue until such time as layoff's cease at the terminals affected.

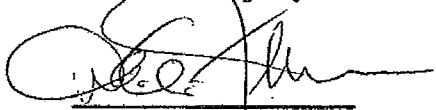
3. Disposition of Grievances

3.1 Any outstanding grievances which have been advanced as a result of the alleged mishandling of layoff provisions will be resolved on a without precedent or prejudice basis, based on the terms identified herein.

This agreement will supplement the Collective Agreement and will be subject to the terms and conditions of the Collective Agreement.

This agreement is signed the 23rd day of September, 2011.

For the Company:



Dave Freeborn
Manager, Labour Relations

For the Union:



Dave Olson
General Chairman
TCRC - CTY West



Bruce Hiller
General Chairman
TCRC - CTY East