

AMT COMMUTER RAIL SERVICE TERMINATION BENEFIT ENTITLEMENTS AGREEMENT

PREAMBLE

The parties hereby agree to the terms listed below to address the transition of Montreal commuter work from CP to Bombardier effective July 1, 2017.

1. MAINTENANCE OF BASIC RATES (MBRs)

- 1.1. Employees covered by this Agreement will be entitled to a maintenance of basic rate benefit (MBR) provided that they were regularly home terminalled and working in Montreal, including spare boards, on July 1, 2017 and, as a consequence of the change to AMT Commuter Rail Service change in handling from CP employees to Bombardier employees, are unable to hold a position in the same classification held prior to the change. Classifications are as follows:
 - Road Switcher
 - Locomotive Engineer (Road)
 - Locomotive Engineer spareboard
 - Locomotive Engineer Yard
 - Conductor (Road)
 - Brakeperson (Road)
 - Trainman spareboard
 - Yard Foreman,
 - Yard Helper
 - Yard Service Employee
 - Yard Service Helper.
- 1.2. Basic rates will be maintained by payment of the difference between actual earnings in a four (4) week period and four (4) times the basic weekly pay defined in Item 1.3. The difference is known as the employee's incumbency. If actual earnings in a four (4) week period exceed four (4) times the basic weekly pay, no incumbency is payable. The four (4) week MBR period is defined as consecutive pay periods.
- 1.3. For the purpose of this Agreement, the term "basic weekly pay" is defined as:

1.3.1. For an employee assigned to a regular position in yard service on the effective date, at the time of a displacement, as a consequence of implementation, the basic weekly pay will be as follows based on 2017 rates:

Locomotive Engineer	\$1,591.77
Yard Foreman	\$1,510.91
Yard Helper	\$1,382.18
Yard Service Employee	\$1,553.90
Yard Service Helper	\$1,427.43

1.3.2. For an employee in road service on the effective date, including employees on road and common spare boards, one-fifty second (1/52) of the total earnings of such employee during the twenty-six full pay periods preceding his/her displacement as a consequence of implementation.

1.3.3. When computing "basic weekly pay" pursuant to Item 1.3.2 above, any pay period during which an employee is absent for seven (7) consecutive days or more due to;

- a bona fide injury,
- sickness for which weekly indemnity benefits have been paid or,
- authorized leave of absence
- when a Union officer is unavailable due to Union business,

will have these earnings if any, together with the earnings of the employee in that pay period, subtracted from the total earnings in the twenty-six pay periods when determining the basic weekly pay. In such circumstances, basic weekly pay shall be calculated on a pro-rated basis by dividing the remaining earnings by the remaining number of pay periods.

1.3.4. Basic weekly rates are subject to any general wage adjustments where applicable during the life of this Agreement.

1.4. When provided an MBR, an employee must:

1.4.1. Exercise their seniority to the highest rated position at their home terminal or outpost terminal in accordance with Collective Agreement seniority provisions.

1.4.1.1. Should they fail to do so, they will be considered as occupying such

position and their incumbency will be reduced accordingly.

- 1.4.1.2. Should there be a dispute regarding the highest rated position to which the employee must exercise seniority, the Company may designate the position.
- 1.4.1.3. If the Union disputes this decision it may be advanced by the General Chairman as a grievance commencing at Step 3 of the grievance procedure.
- 1.4.2. Work all vacancies available to them consistent with Collective Agreement seniority provisions.
- 1.4.3. Be available for service for the entire two (2) week period. The two week period is meant to coincide with the scheduled Trainmen Spareboard Guarantees. If not available, the incumbency for that period will be reduced by an amount equal to the earnings that would have been made on the day(s) unavailable.
- 1.4.4. In the application of paragraph 1.4 all assigned service employees, including yard service and Locomotive Engineers not working as such, cannot be considered unavailable on their assigned rest days.
 - 1.4.4.1. Except as provided for in Item 1.4.4, booking personal rest in excess of ten (10) hours at the home terminal in unassigned service that results in a loss of work opportunity is considered as being unavailable for service. Rest mandated by legislation at the home terminal is encompassed by the term "personal rest". Mandated and personal rest must not exceed ten (10) hours.
 - 1.4.4.2. In assigned service, including yard service, being unavailable on an assigned working day is considered as being unavailable for service.
- 1.4.5. Unassigned freight pool employees will be able to book maximum rest according to the provisions of the Collective Agreement without affecting their MBR entitlement provided that they earn their maximum monthly mileage during their mileage period and have the ability to do so.
- 1.5. In order to allow for proper administration of 1.4.4 of this Agreement, it is agreed that an employee's MBR period will be matched, as closely as possible, to their mileage period. MBR periods may be pro-rated in order to make this adjustment. Any formula to pro-rate the MBR period must be jointly agreed upon by the parties to this Agreement.
- 1.6. If an employee fails to make their maximum monthly mileage, and has missed a trip as a result of booking more than ten (10) hours rest during the MBR entitlement period, their incumbency will be reduced by the earnings associated with the trips missed to a maximum of the number of trips up to the maximum monthly mileage.

Note: A maximum of one trip can be deducted in any one twenty-four (24) hour period as a result of booking more than ten (10) hours rest.
- 1.7. All compensation paid to an employee by the Company in each two (2) week period, shall be taken into account when computing the employee's

incumbency. Shifts or tours of duty commencing between 0001 on the first day of the two (2) week period, will be included in computing compensation paid. Employees in assigned service (yard or road switcher), who work other than their regularly scheduled tours of duty will not have the additional earnings included in the calculation of their MBR incumbency.

- 1.8. Employees shall be entitled to maintenance of basic rate benefits pursuant to this Agreement for a period of four (4) years from the effective date of benefit entitlement.
- 1.9. Employees must have at least two (2) years cumulative compensated service (CCS) on the effective date in order to be entitled to benefits.

2. LAYOFF PROTECTION

- 2.1. Employees covered by this Agreement at its signing and laid off as a direct result of any changes reflected in this Agreement will be entitled to a lay off benefit credit of five (5) weeks for each year of cumulated compensated service or major portion thereof.
- 2.2. This protection is not intended to apply to layoffs that result from a downturn in business or to apply to layoffs that result from seniority moves resulting in bumping and displacements which are not directly related to this material change.
- 2.3. Upon implementation of the change, the junior employee(s) working at the time will be designated as being entitled to layoff benefits provided that they:
 - are represented by the TCRC,
 - are directly and adversely effected by this change,
 - are regularly assigned to a position at Montreal under the terms of the current Collective Agreement on the effective date, and
 - have at least two (2) years cumulative compensated service (CCS) on the effective date in order to be entitled to benefits.
- 2.4. Weekly layoff benefits will be made available to eligible employees covered by this Agreement for each full week of seven (7) consecutive calendar days of lay off (herein called a "claim week") provided all the following conditions are met:
- 2.5 The employee must be laid off. An employee will not be regarded as laid off:
 - 2.5.1. During any day or period in which employment is interrupted;
 - By approved leave of absence for any reason
 - Sickness
 - Disciplinary action (including time held out of service pending investigation)
 - Failure to exercise seniority on the District except in cases in which the displacing employee would cause a lay-off at the new terminal

- Retirement
- Act of God, including but not limited to fire, flood, tempest or earthquake
- A reduction or cessation of work due to Strikes by employees of the Railway

2.5.2. During any interval between the time that the employee is recalled to service after a period of lay off and the actual time the employee resumes work; except that an employee who does not, as a consequence of the foregoing, return to service on the day work is available shall be governed by the provisions of the Agreement, on the same basis as if they had returned to work on the date such work became available.

2.5.3. If the employee declines for any reason recall to work at their home location.

2.5.3.1. In respect of any period in which the employee is receiving other payments of any kind or nature directly from the Company, except as otherwise expressly provided for in this Agreement, or

2.5.3.2. After dismissal or resignation from the Company.

2.5.4. Following an application being made by the employee to the designated Company officer.

2.5.5. Following a seven (7) calendar day waiting period following lay off. Each time an employee is laid off they will have a seven (7) calendar day waiting period. The exception to this rule is that once an employee has been on lay off for more than seven (7) calendar days, and they are recalled to work, for a period of less than ninety (90) calendar days, they will be immediately eligible for weekly lay off benefits upon lay off within such ninety (90) calendar days.

2.5.6. The employee has exercised full seniority rights at their home terminal.

2.6. Weekly lay off benefits will consist of the following:

2.6.1. For each complete week of seven (7) calendar days laid off following the seven-day waiting period, an amount that, when added to Employment Insurance (EI) benefits and/or outside earnings in excess of those allowable under EI for such week, will result in the employee receiving eighty percent (80%) of their basic weekly pay at the time of the layoff.

2.6.2. If the employee is not eligible for EI benefits because such benefits have been exhausted or because the employee is not insured for EI benefits or because of an EI waiting period in excess of seven (7) days, then the employee may claim a weekly lay off benefit for each complete week of seven (7) calendar days laid off of the maximum EI weekly benefits currently in force or such lesser amount that when added to the employee's outside earnings for such week will result in the employee receiving eighty percent (80%) of their basic weekly pay at the time of the layoff.

2.6.3. Weekly lay off benefits are only payable for a duration of three (3) years from the effective date of this Agreement.

2.6.4. In each week that a weekly lay off benefit is claimed, the employee must report to the Company any amounts received from EI for that week. They must also report any wages earned during that week from sources outside the Company. If no such report is submitted, the Company will assume that the outside earnings reported for the previous week are the same as for the current week.

2.6.5. Employees must have at least two years of cumulative compensated service (CCS) in order to be entitled to benefits.

3. PERMANENT RELOCATION OR COMMUTING ALLOWANCE IN LIEU OF LAYOFF BENEFITS

3.1. An affected employee who is subject to and entitled to layoff benefits as described *above* may make a one-time election to exercise his seniority to another terminal in accordance with the Collective Agreement.

3.1.1. In such a case, the employee may elect to take advantage of a commuting allowance for two (2) years, based on automobile mileage rates in the collective Agreement. This benefit would be taken in lieu of lay off benefits.

3.1.2. Alternatively, the employee may elect to apply for permanent relocation benefits, as described in Article 72.15 (CTY) and 34.11 (LE) of the Collective Agreement. This benefit would be taken in lieu of layoff benefits.

3.1.3. Should an employee choose a permanent relocation benefit or a commuting allowance, one layoff benefit will be eliminated

3.1.4. Employees are not eligible to take a permanent relocation and a commuting allowance benefit, in accordance with the language in the collective Agreement.

3.1.5. No further benefits will be triggered as a result of an employee who chooses to relocate.

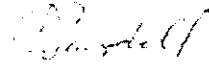
4. Coverage

5. The signatory parties understand and mutually agree that this Agreement is entered into on a without precedent or prejudice basis to either parties position on the applicability of the Material Change provisions concerning the July 1, 2017 changes and will not be used by any party for any reason without the express written consent of the other party.

6. The parties further agree that this Agreement resolves all outstanding issues relating to the Material Change grievances filed by the Union concerning Montreal Commuter lines and the transition of this work to Bombardier effective July 1, 2017.



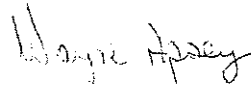
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Date: May 2, 2017