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August 21, 2024

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Wayne Apsey
General Chair CTY East
9 Third Street
Smiths Falls, ON
K7A 3H5

Dear Sirs,

This letter refers to our conversation with you in the presence of FMCS officers on August 8, 2024, where the Company communicated it would focus on a traditional settlement option, commonly referred to as Option 2. As such Option 1 was conditionally set aside on a without prejudice or precedent basis with the full communication that this was contingent upon an overall ratified settlement between the parties on Option 2 or any other terms the parties might agree to.

The attached proposal reflects the Company's best efforts to reach a negotiated settlement without a work stoppage disrupting the Canadian economy, our customers and our employees. As discussed on August 8, 2024, and reiterated on August 20, 2024, if a negotiated deal is not reached and a lock out and/or strike action commences at 00:01 tonight, this letter is to notify the Union that CPKC's Option 1 will be reactivated and will remain in its entirety as an outstanding item.

Sincerely,

Myron Becker
VP & Chief Labour Officer
CPKC

MEMORANDUM OF SETTLEMENT

DATED

Calgary, August 21, 2024

BETWEEN

CANADIAN PACIFIC KANSAS CITY RAILWAY
(Hereinafter referred to as the Company)

And

TEAMSTERS CANADA RAIL CONFERENCE
(Hereinafter referred to as the Union)

CONCERNING

APPLICATION OF WAGE INCREASES AND OTHER CHANGES
COVERING THE YEARS 2024, 2025 and 2026.



In the event of a strike or lockout (work stoppage),
this Memorandum of Settlement is null and void.

MEMORANDUM OF SETTLEMENT

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Calgary, August 21, 2024

BETWEEN

CANADIAN PACIFIC KANSAS CITY RAILWAY
(Hereinafter referred to as the Company)

And

TEAMSTERS CANADA RAIL CONFERENCE
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1. TERM OF CONTRACT

The Collective Agreement between the Company and the Union will be in effect for a period of three (3) years commencing January 1, 2024 through to December 31, 2026.

2. WAGES

The following rate increases are in reference to wage rates only (basic hourly, daily, weekly rates of pay) and do not apply to any other payments such as shift differentials, or any other payments not explicitly mentioned.

- a) Effective January 1, 2024, increase by 3.50% the rates in effect December 31, 2023.
- b) Effective January 1, 2025, increase by 3.00% the rates in effect December 31, 2024.
- c) Effective January 1, 2026, increase by 3.00% the rates in effect December 31, 2025.

(1) Shift Differential

Effective January 1, 2024, increase shift differential to \$1.13 per hour for employees commencing a shift between 1430 and 2229.

Increase shift differential to \$1.50 per hour for employees commencing a shift between 2230 and 0629.

Shift differential will apply to Road Switcher service as well as Yard Transfer service.

(2) Spareboard Guarantee – Locomotive Engineers

Add New Article as follows:

The Locomotive Engineer Spareboard Guarantee will be a bi-weekly guarantee in the amount of 1700 miles.

Locomotive Engineers on spare boards booking in excess of 12 hours rest between the hours of 2359, Thursday, to 1200 Noon, Sunday, will be considered an instance of unavailability.

In any instance of unavailability, including any other voluntary absence, the employee will lose the guarantee in its entirety for the bi-weekly guarantee period.

(3) Picking Up & Setting Out Diesel Units in Road Service

Amend Article 5.01 (1) as follows:

5.01 PICKING UP AND SETTING OUT DIESEL UNITS IN ROAD SERVICE

(1) Effective January 1, 2009, employees in Assigned and Unassigned Road Freight Service who are required to set out, pick up or switch locomotive(s) which involves the making or breaking of connection between the locomotives or robotizing and/or conventionalizing by the train crew at initial, final and enroute locations will be paid **12.5** ~~40~~ miles at pro rata rates. Payment does not apply to Road Switchers, Yard Service Crews and Assigned Work trains.

(4) Called & Cancelled/Conductor Only Penalty Payment (CT) – Initial Terminal

Amend Article 81.03 as follows:

In circumstances where a Conductor-only crew performs switching at the initial terminal to which they are entitled payment under the Conductor-only agreement (CT claim) and are cancelled prior to departure, the Conductor **and Locomotive Engineer** would be entitled to 100 miles for the called and cancelled as per this article as well as the CT claim. No payment, however, would be provided for initial time.

Employees who were in service on January 1, 2024, or who were employed subsequent thereto, shall, providing they have not been dismissed from the service, file has been closed or resigned prior to the signing of this MOS, be entitled to any amount of increased wages that is due them for time worked subsequent to December 31, 2023, as outlined within this MOS. Any employee subsequently reinstated to service with compensation will, upon reinstatement, be entitled to the benefits contained in this MOS.

3. BENEFITS

Plan Amendment Document

Upon final settlement and effective 30 days following this Agreement coming into effect, the appropriate documents will be updated to reflect the following benefit terms which are also indicated within the attached new comprehensive Collective Agreement:

Life Insurance

- a) Effective January 1, 2024, the group life insurance coverage will be increased from \$57,000 to **\$58,000** for employees who have service with the Company on or subsequent to that date.
- b) Effective January 1, 2025, the group life insurance coverage will be increased from \$58,000 to **\$59,000** for employees who have service with the Company on or subsequent to that date.
- c) Effective January 1, 2026, the group life insurance coverage will be increased from \$59,000 to **\$60,000** for employees who have service with the Company on or subsequent to that date.

Dental Plan

Modify the provision concerning covered expenses as follows:

- a) Effective with treatment which commenced on or after January 1, 2024 covered expenses will be defined as the amounts in effect on the day of such treatment, as specified in the relevant provincial Dental Association Fee Guides for the year 2024.
- b) Effective with treatment which commenced on or after January 1, 2025 covered expenses will be defined as the amounts in effect on the day of such treatment, as specified in the relevant provincial Dental Association Fee Guides for the year 2025.
- c) Effective with treatment which commenced on or after January 1, 2026 covered expenses will be defined as the amounts in effect on the day of such treatment, as specified in the relevant provincial Dental Association Fee Guides for the year 2026.
- d) Effective January 1, 2024, the maximum benefit will be increased from \$2150 - \$2200.
- e) Effective January 1, 2025, the maximum benefit will be increased from \$2200 - \$2250.
- f) Effective January 1, 2026, the maximum benefit will be increased from \$2250 - \$2300.

Weekly Indemnity Benefit

The letter dated March 21, 2022 (Weekly Indemnity Benefits – Base Rate) from the previous memorandum of settlement which expires December 31, 2023 is extended to the end of this contract December 31, 2026.

a) Effective January 1, 2025, the maximum weekly benefit will be increased to **\$860**

Benefits General

Effective 30 days following this Agreement coming into effect, or as soon thereafter as it may be arranged, the various contracts and policies provided in the Employee Benefit Plan Supplemental Agreement and attached as Appendices to the Dental Plan and the Extended Health & Vision Care Plan, as well as they will be amended in conformity with the aforementioned changes.

4. QUALITY OF LIFE

(1) Held Away

This reflects revised language that at the away from home terminal, held away pay provisions will commence 2 hours after an employee is legally rested pursuant to the existing terms and conditions as defined in the Duty and Rest Period Rules (DRPR).

Amend Article 8 as follows:

8.01 UNASSIGNED SERVICE

~~(1) Employee in pool freight and in unassigned service held at other than home terminal longer than 11 hours without being called for duty will be paid minimum freight rates on the basis of the table below (Add one hour to the Heldaway and Automatic Call columns for Non-Conductor only territory.) all time held in excess of 11 hours except that in cases of wreck, snow blockade or washouts on the subdivision to which assigned, Employees held longer than 11 hours will be paid for the first 8 hours in each subsequent 24 hours thereafter. Time will be computed from the time pay ceases on the incoming trip until the time the crewmember either takes control of their train or locomotives for the working trip, or when deadheading; actual departure from the terminal.~~

(2) In lieu of the provisions contained in the foregoing paragraph, Employee in pool freight and in unassigned service working on a territory on which the Company has implemented conductor- only train operations, held at other than the home terminal longer than ~~40~~ **2 hours after regulatory rest expires**

without being called for duty will be paid minimum freight rates on the basis of the table below for all time held in excess of 40 2 hours **after regulatory rest expires** except that in cases of wreck, snow blockage or washouts on the subdivision to which assigned, Employees held longer than 40 2 hours **after regulatory rest expires** will be paid for the first 8 hours in each subsequent 24 hours thereafter. Time will be computed from the time pay ceases on the incoming trip until the time the crewmember either takes control of their train or locomotives for the working trip, or when deadheading; actual departure from the terminal.

Hours of Rest Booked at AFHT	Heldaway Commences at AFHT—12.5 mph	Automatic Call or Heldaway—18.75 miles/hour
0	10	14
00:01-01:00	10	14
01:01-02:00	10	14
02:01-03:00	10	14
03:01-04:00	10	14
04:01-05:00	10	14
05:01-06:00	10	14
06:01-07:00	11	N/A
07:01-08:00	11	N/A
Mandatory rest*	10	14

- **Heldaway pay commences 2 hours after Regulatory Rest expires at the Away From Home Terminal at 12.5 miles per hour.**
- **Heldaway pay at 18.75 miles per hour begins 6 hours after Regulatory Rest expires.**

~~Note: Chart above applies on Conductor-only territory.~~

* ~~In the This~~ application of this chart, this also applies to the Belleville Run Through Pool.

- (2) **Letter Re: No Reset and Not Released at AFHT – See Appendix 1**
- (3) **Letter Re: Deadhead while on (DRPR) Minimum Rest at Away From Home Terminal – See Appendix 2**

(4) Call Time at the Away From Home Terminal

Add a new Article 33.04 as follows:

The Away From Home Terminal Call Time will be 1 hour.

(5) Work Schedules

Add New Article as follows:

4/3 work week 4 working days with 3 consecutive assigned days off - 10 or 12 hour shifts as bulletined	4/4 work week 4 working days with 4 consecutive assigned days off - 10 or 12 hour shifts as bulletined
---------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------

The following work schedules will apply to all positions within yard and road switcher service and may be implemented at the sole discretion of the Company on an assignment by assignment basis. Employees working any of the following schedules must fulfill the entire work schedule. Employees who demonstrate a pattern of failing to fulfill an entire work schedule may forfeit ownership of their assigned schedule (temporary and/or permanent) and may forfeit the ability to bid a 4/3 or 4/4 working schedule until the next General Advertisement of Assignments.

Newly implemented 4/3 and 4/4 local assignment work schedules shall not be subject to any operational limitations outlined in legacy yard and road switcher provisions.

(6) Payments Escalating in Excess of 10-Hours

Add New Article as follows:

The following provision applies to employees (crew) who do not provide notice of rest.

(1) The monetary values in the below chart are not cumulative:

Hours on Duty	Premium Payment
10'01" – 11'00"	\$120
11'01" – 12'00"	\$140
Over 12 hours	\$150

(2) It is understood that crews may be required to remain on duty beyond 10 hours. In those circumstances, the premium payments outlined in the chart above will be applicable.

- (3) A road service crew must reach OMTS by train after 10 hours to trigger payment.
- (4) The above provisions do not apply to yard employees, employees called in Turnaround Combination Service (TCS) or employees in ESR Service.

Note: It is understood and agreed that in the application of the foregoing provisions, neither the Union nor any employee will progress a grievance.

(7) Notice of Rest After 10 Hours On-Duty

The following provision applies to employees (crew) who provide notice of rest:

- (1) Employees will be relieved enroute. In the event they cannot be relieved enroute on or before 10 hours, only the \$80 payment will apply.

(8) Automobile Allowance

Amend Article 1.03 to read:

Where automobile allowance is paid, such allowance shall be ~~37~~ **45** cents per kilometer for the kilometers travelled via the most direct highway route.

(9) Final Settlement of Dispute Without Work Stoppage – See Appendix 3 – Letter Re: Amendments to Article 41

(10) Letter Re: Safety Footwear & Clothing Subsidy – See Appendix 4

(11) Road Service – Assigned Service Conditions

Amend Article 77.01 as follows:

77.01 Assignments, other than work trains, will be bulletined specifying the home terminal, initial and objective terminals for each trip, territory over which the assignment is to perform service, starting time and days of operation. So far as it is practicable, assignments will start at the bulletined starting time, except that on any day, an assignment may be started up to ~~three~~ **five** hours beyond the bulletined starting time, but not earlier than that specified in the bulletin unless otherwise mutually agreed. Should an assignment not be called within ~~three~~ **five** hours of its bulletined starting time, the assigned crew shall be cancelled. When bulletined starting time is changed more than 3 hours, the assignment will be re-bulletined.

It is understood that the 3 hour period may be extended when exceptional customer service issues arise up to a maximum of 5 hours.

(12) Layoff & Recall (Temporary Relocation)

The following is intended to allow employees who are about to be laid off with the option to relocate to another terminal that is in need of bargaining unit staff, on a temporary basis: (this does not prevent the ability to permanently relocate to another location upon layoff):

- (1) Employees who receive notice of layoff will also be provided with a list of terminals in Canada where additional employees are required on a temporary basis due to existing staff shortages.
- (2) Employees must indicate their desire to accept a temporary assignment within ten days of their layoff taking effect and must contact the Crew Management Centre to make necessary arrangements.
- (3) Employees desiring a transfer will notify the CMC to which terminals they are willing to temporarily relocate in the order of preference. Employees will not be required to temporarily transfer to any given terminal.
- (4) Employees will be selected to transfer to the shortage locations in seniority order.
- (5) Employees so transferring will be allowed a reasonable travel period to relocate.
- (6) Employees who elect to temporarily transfer to another terminal will be afforded accommodations and travel arrangements to and from their temporary work location.
- (7) An employee may elect to drive their personal vehicle and will be compensated the mileage rate contained in Article 1.03 for the initial transfer and when returning to their home terminal.

5. HOUSEKEEPING

(13) No Scoop

Add a new item to Article 13.01 as follows:

- 13.01 (5) When there is a tie on the arrival time at the AOMTS that involves a scoop enroute, the employee on duty first will be placed ahead on the respective board placement. (i.e. Train arrives and DH combo ties up)
- (6) When an employee's turn is placed on the board from any off status and their book on time is the same as a working employee's AOMTS, the working employee will be placed ahead on the respective board placement.

(14) Calling Order of Trainee Training Train

Add a new item to Article 21.02 as follows:

21.02 (6) The Calling order for Locomotive Engineers to operate the Trainee Training Train will be as follows:

- (1) Unionized, qualified Health and Safety Representative
- (2) First Rested Spare Engineer
- (3) First Rested Pool Engineer
- (4) First Rested Auxiliary Board Engineer
- (5) Senior Rested LEEB ESB
- (6) Junior Rested ESB not on the LEEB

The Calling order for Conductor to operate the Trainee Training Train will be as follows:

- (1) Unionized, qualified Health and Safety Representative
- (2) Unionized Field Placement Coordinator (if applicable)
- (3) First Rested Yard Foreman and Helper
- (4) First Rested Conductor
- (5) First Rested Spare Trainman
- (6) First Rested Auxiliary Board Trainperson

Unionized employees are to be exhausted before utilizing a manager.

(15) Auxiliary Boards

Employees desiring additional work when off for miles or on assigned days off (unless on regulatory rest) may voluntarily place themselves on one or, where qualified, both auxiliary boards. In the application of this article, Engineers work will be called from the Engineers auxiliary board and Trainmen work will be called from the Trainmen auxiliary board. Employees will only be called for work for which they are qualified and familiarized. In the application of this clause, when set up Locomotive Engineers on the Locomotive Engineers Auxiliary Board have been exhausted, calling of Locomotive Engineers not working as such will be called on a seniority basis consistent with Local Calling Rules for that Terminal.

(16) Letter Re: Starting Annual Vacation

The parties agree to renew the current letter regarding EDO windows and an employee's ability to commence annual vacation.

Further to the parties' mutual desire to revise and amend the Collective Agreement between CPKC and the TCRC, the parties have agreed upon this Memorandum of Settlement ("MOS"). The Union will hereafter endorse this MOS for ratification by its membership. In the event this MOS should fail ratification, and in accordance with Section 79 of the Canada Labour Code (the "Code"), the parties have agreed to directly refer to binding arbitration at a mutually agreeable time, or as established by the Arbitrator, with a mutually agreed upon Arbitrator, the outstanding items as identified and limited to the items contained within this MOS. If the parties are unable to agree upon an arbitrator, one will be appointed by the Director General, FMCS. The parties agree that no other items remain outstanding between the parties. The Arbitrator shall have the powers listed under Section 60 and 61 of the Code. Further and in accordance with Section 79 of the Code, this agreement suspends the right to strike or lockout. The parties shall share the costs of arbitration equally.

SIGNED AT Calgary, Alberta this 21st day of August, 2024.

For CPKC:



Myron Becker
VP & Chief Labour Officer
CPKC



David E. Guerin
Managing Director
Labour Relations
CPKC



Francine Billings
Director Labour Relations
CPKC

For TCRC:

Dave Fulton
General Chairman
TCRC West CTY

Greg Lawrenson
General Chairman
TCRC West LE

Ed Mogus
General Chairman,
TCRC East LE



Wayne Apsey
General Chairman,
TCRC East CTY

For

Approved:
Mark Redd
EVP & Chief Operating Officer
CPKC

6. APPENDICES

Appendix 1 - Letter Re: No Reset and Not Released at AFHT

August 21, 2024

Greg Lawrenson
General Chair LE West
101-10820 24 Street SE
Calgary, AB
T2Z 4C9

Dave Fulton
General Chair CTY West
101-10820 24 Street SE
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Ed Mogus
General Chair LE East
Suite 246, 6-1500 Upper Middle Rd
Oakville, ON
L6M 0C2

Wayne Apsey
General Chair CTY East
9 3rd Street
Smiths Falls, ON
K7A 3H5

Dear Sirs,

This letter is further to the parties' discussions regarding Transport Canada's Duty Rest Period Rules (DRPR).

1. **Not Released at Away from Home Terminal**

At the Company's discretion, upon arrival at the Away From Home Terminal, an employee may be deemed "Not Released" and either work or be deadheaded home.

In the event there is a rested crew at the Away From Home Terminal when this occurs, it will not be considered a Run Around.

2. **The 32 hour Reset Break requirement and the occasions on which such reset requirement necessarily occurs at the Away From Home Terminal.**

In order to avoid the occasions where a reset would occur at the Away From Home Terminal, the parties have agreed that where an employee would otherwise be required to reset at the Away From Home Terminal, the Company may run said employee around other employees at the same Away From Home Terminal as required in order to return said employee to the Home Terminal for the reset.

When transported to the Home Terminal for the reset, time spent being transported will be unpaid and the parties acknowledge this is within DRPR parameters as the employee is not released from duty upon arrival at the Away From Home Terminal.

The parties agree that a natural regulatory reset may occur at the Away From Home Terminal. Also, in the event of an unexpected line outage (e.g. fire, flood, snow blockades, impassable roads, washouts, etc.), a regulatory Reset Break at the Away From Home Terminal may occur.

There shall be no grievance advanced in respect of the terms and conditions, or application thereof, set forth in this Agreement.

If the foregoing accurately reflects our discussion, please provide your signed concurrence in the same provided below.

Sincerely,

For TCRC,



Myron Becker
VP & Chief Labour Officer
CPKC

Greg Lawrenson
General Chairman
TCRC LE-West



Greg Squires
SVP Operations Western Region
CPKC

Dave Fulton
General Chairman
TCRC CTY-West

Wayne Apsey
General Chairman
TCRC CTY-East

Ed Mogus
General Chairman
TCRC LE-East

Appendix 2 - Letter Re: Deadhead while on (DRPR) Minimum Rest at Away From Home Terminal

August 21, 2024

Greg Lawrenson
General Chair LE West
101-10820 24 Street SE
Calgary, AB
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Dave Fulton
General Chair CTY West
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Suite 246, 6-1500 Upper Middle Rd
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Wayne Apsey
General Chair CTY East
9 3rd Street
Smiths Falls, ON
K7A 3H5

Dear Sirs,

This letter is further to the parties' discussions regarding Transport Canada's Duty Rest Period Rules (DRPR).

The Company shall have the ability to deadhead home any employee who is on regulatory Minimum Rest when deemed necessary for the purposes of crew balancing and operational necessity.

The parties agree to jointly apply to Transport Canada within 14 days of the signing of this Agreement for approval of this application.

There shall be no grievance advanced in respect of the terms and conditions, or application thereof, set forth in this Agreement.

If the foregoing accurately reflects our discussion, please provide your signed concurrence in the same provided below.

Sincerely,



Myron Becker
VP & Chief Labour Officer
CPKC

For TCRC,

Greg Lawrenson
General Chairman
TCRC LE-West



Greg Squires
SVP Operations Western Region
CPKC

Dave Fulton
General Chairman
TCRC CTY-West

Wayne Apsey
General Chairman
TCRC CTY-East

Ed Mogus
General Chairman
TCRC LE-East

Appendix 3 - Letter Re: Amendments to Article 41

August 21, 2024

Ed Mogus
General Chair LE East
Suite 246, 6-1500 Upper Middle Rd
Oakville, ON
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Wayne Apsey
General Chair CTY East
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Dave Fulton
General Chair CTY West
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The parties agree to amend Article 41 as follows:

ARTICLE 41 - FINAL SETTLEMENT OF DISPUTES WITHOUT WORK STOPPAGE

Note: 2022 MOS and Formerly Article 36 LE West and LE East and Article 80 CTY West and CTY East.

~~The parties have taken significant steps to address the existing backlog of grievances and are committed to these ongoing efforts.~~

~~In order to improve the parties ability to respond to changing conditions at CROA&DR and provide greater adaptability in the arbitration process, the parties have agreed to remove the Letter Re: Grievance Reduction Initiative and revise Article 41 as follows. It is understood the following will apply to existing arbitration commitments (i.e. January 2022 GROA, February 2022 Ad Hoc Arbitration, etc.). The parties agree to review the initial handling of cases in December 2022 and, if warranted and subject to the approval of the arbitrator, adjust the number of grievances heard per day to ensure the hearing days are maximized.~~

- 41.01 All differences between the parties to this Collective Agreement concerning its meaning or violation which cannot be mutually adjusted shall be submitted to arbitration as outlined below for final settlement without stoppage of work.
- 41.02 It is understood and agreed that the filing and hearing of all cases with Canadian Railway Office of Arbitration and Dispute Resolution (CROA&DR)

will continue to be subject to the Rules and Procedures as established.

41.03 It is agreed that the parties will allocate three (3) days per month, except in the month of August, to the settlement of disputes, unless otherwise mutually agreed as outlined below:

- Day 1: Mediation (FMCS)
- Day 2: CROA&DR or Ad Hoc Arbitration/Informal Expedited Arbitration
- Day 3: CROA&DR or Ad Hoc Arbitration/Informal Expedited Arbitration

41.04 Scheduling of Cases

It is the intention of the parties to have as many disputes heard per day. The suggested minimum number of cases to be heard per day is as follows:

Hearing Type	# Grievances per day
CROA&DR	As determined and scheduled by CROA&DR
Ad Hoc Arbitration	5
Informal Expedited Arbitration	12
Mediation (FMCS)	40

Where the parties agreed to days of blended Ad Hoc Arbitration and Informal Expedited Arbitration, the following will be the maximum number of cases heard per day:

# Ad Hoc Arbitration	# Informal Expedited Arbitration
4	3
3	5
2	7
1	10

Arbitration that arises from a Material Change will follow the provisions of the material change articles of the Collective Agreement and will be above and beyond the monthly allotments.

41.05 General – Ad Hoc Arbitration, Informal Expedited Arbitration & Mediation

- (1) The Union shall submit a single consolidated list of grievances and proposed JSIs to the other party no later than the first day of the month, 3 months prior to the hearing date. ~~The receiving party shall have ten (10) days to review and indicate concurrence for the progression of the files through this process.~~

The parties recognize that there may be occasion for the Company to submit an issue(s) in dispute along with proposed JSI no later than four months prior to the hearing date.

- (2) ~~Where the parties are unable to mutually agree on a grievance file, the grievance shall not proceed through this process, but shall remain on the backlog of grievances filed for resolution at CROA&DR or any other agreed upon process by the parties.~~
- (3) Where the parties mutually agree, Mediation (FMCS) may be replaced with Ad Hoc Arbitration/Informal Expedited Arbitration subject to sixty (60) days notice.
- (4) For Ad Hoc and Informal Expedited Arbitration, a Joint Statement of Issue (JSI) containing the facts of the dispute and reference to the specific provision(s) of the Collective Agreement allegedly violated, shall be jointly submitted to the Arbitrator no later than the first day of the month, 2 months prior to the hearing date. Where the parties are unable to agree on a JSI two months prior, **either or each upon forty-eight (48) hours' notice in writing to the other may apply to the Arbitrator for permission to submit a separate statement and proceed to a hearing. The Arbitrator shall have the sole authority to grant or refuse such application.** ~~they agree to have the arbitrator try to mediate this process between that time and 30 days prior to the hearing date.~~

~~If refused by the Arbitrator, unsuccessful after that,~~ the grievance shall not proceed through this process, but shall remain on the backlog of grievances filed for resolution at CROA&DR or any other agreed upon process by the parties. The next agreed upon file will be scheduled in its place, subject to mutual agreement on a JSI. No replacements will be made within thirty (30) days of the date of the hearing.

- (5) Representations and arguments at arbitration shall be restricted and limited for each case, to not more than two spokespersons for the Union and two for the Company.
- (6) Witnesses will not be called or permitted to provide testimony during informal expedited or mediation, but affidavits and witness statements may be submitted as evidence.

- (7) It is understood that the inclusion of witnesses at Ad Hoc Arbitration will not extend the time periods outlined in sub-clause 41.07(3); however, the parties recognize that witnesses may require the case be scheduled over two or more slots. For scheduling purposes, either party shall advise the other of their intent to have a witness(es) no later than 8 weeks in advance of the hearing date.
- (8) The Video Conference Arbitration Handling Guidelines dated May 16, 2020 will continue to apply until live hearings can be held, or unless the parties otherwise mutually agree; where any conflict exists between the Guidelines and the items contained within this Article, this Article will prevail.

41.06 Arbitrators

- (1) the term of the contract, the panel of arbitrators shall consist of
 - a. ~~Tom Hodges~~ **Amanda Rogers**
 - b. **Vince Ready**
 - c. Cheryl Yingst-Bartel
 - d. Graham Clarke
 - e. Kevin Burkett
 - f. Chief CROA Arbitrator.
 - g. Mutually agreed upon Arbitrators
- (2) Arbitrators will be utilized on a rotating basis subject to arbitrator availability. The arbitrators will be scheduled a minimum ~~six~~ **nine** months in advance.
- (3) It is understood that if the parties reach consensus on scheduling, they are not restricted from scheduling Ad Hoc Arbitration hearings via Zoom by mutual agreement or in Eastern or Western Canada.
- (4) Each party shall respectively bear any expenses each has incurred in the preparation and presentation of the case to the Arbitrator, but any general or common expenses, including remuneration and expenses of the Arbitrator, shall be divided equally.

41.07 Ad Hoc Arbitration

- (1) Each General Chairman will submit a grievance for final settlement within this process. The fifth grievance slot will be given to the oldest dismissal grievance.
- (2) Written briefs will be exchanged by the parties and provided to the Arbitrator four (4) business days in advance of the hearing date. Written rebuttals will be

exchanged with each other and to the Arbitrator two (2) business days in advance of the hearing date. The submission will be subject to the normal rules of admissibility and discretion of the Arbitrator.

- (3) At the hearing, each party shall be given a total of thirty (30) minutes to present its position and arguments and then an additional fifteen (15) minutes each for rebuttal. It is understood that the parties and Arbitrator are obligated to abide by these strict timelines. The normal burden of proof shall prevail.
- (4) Each decision rendered under this process, shall be final and binding upon the Company, the Union and any implicated employee(s). The Arbitrator shall remain seized for each case presented.

41.08 Informal Expedited Arbitration Process

- (1) To the extent possible, all grievances, except dismissals or policy type grievances, shall be considered for the Informal Expedited Arbitration Process.
- (2) A maximum one-page summary of the parties' position/presentation and a Book of Documents containing all records or other evidence to be relied upon at the hearing must be exchanged by the parties and submitted to the arbitrator four (4) business days in advance of the hearing date. The submission will be subject to the normal rules of admissibility and discretion of the Arbitrator.
- (3) At the hearing, the positions of the parties shall be presented orally. Each party shall be given a total of ten (10) minutes to present its position and arguments and then an additional five (5) minutes each for rebuttal.
- (4) The normal burden of proof shall prevail. Awards shall not be precedential or referable for the purposes of any future case(s). Expedited awards shall not be quoted or otherwise cited at the presentation of any other cases before any Arbitrator, and shall not be reported, except to the parties. Written reasons for the award shall be identified as being non precedential and provided only to the parties to the grievance and they shall be numbered in sequential order, for administrative ease of identification only.
- (5) 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. The Arbitrator shall, upon request of either party, or if he/she

deems fit, issue an immediate award, to be followed up with a more detailed confirmation in writing.

- (6) Where, at any time during the filing or presentation of a case under this process, it appears to the Arbitrator, after consultation with the parties, that the case is not appropriate for proper hearing and disposition under this process, and should be heard through the normal arbitration procedures, he or she may refer the matter back to the parties to be progressed to CROA&DR or Ad Hoc Arbitration.
- (7) Legal counsel will not be permitted to make submissions, attend on behalf of or with either party.
- (8) Each decision rendered under this process, shall be final and binding upon the Company, the Union and any implicated employee(s). The Arbitrator shall remain seized for each case presented.

41.09 Mediation (FMCS)

- (1) To the extent possible, all grievances, except dismissals, and policy type grievances, shall be considered for Mediation (FMCS).
- (2) It is understood that the role of the mediators is to assist the parties in discussing the files progressed through this process and in reaching mutually agreed upon resolutions where possible.

41.10 Abeyance Code Disputes

A minimum of three (3) of the existing abeyance code disputes per year will be scheduled for final settlement with CROA&DR or Ad Hoc Arbitration. New abeyance code disputes, on a first in, first out basis, will be scheduled to be heard at arbitration within one year of being established if all other abeyance codes have been dealt with in this format. Dismissals older than 1 year will take precedent over new abeyance code disputes.

Any dispute held within the abeyance codes that another Arbitrator has jurisdiction will be adjudicated by that Arbitrator above and beyond the agreed upon monthly allocations.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Becker', with a long horizontal line extending to the right.

Myron Becker
VP & Chief Labour Officer
CPKC

For TCRC,

Wayne Apsey
General Chairman
TCRC CTY-East

Ed Mogus
General Chairman
TCRC LE-East

Dave Fulton
General Chairman
TCRC CTY West

Greg Lawrenson
General Chairman
TCRC LE West

Appendix 4 - Letter Re: Safety Footwear & Clothing Subsidy

August 21, 2024

Ed Mogus
General Chair LE East
Suite 246, 6-1500 Upper Middle Rd
Oakville, ON
L6M 0C2

Wayne Apsey
General Chair CTY East
9 3rd Street
Smiths Falls, ON
K7A 3H5

Greg Lawrenson
General Chair LE West
101-10820 24 Street SE
Calgary, AB
T2Z 4C9

Dave Fulton
General Chair CTY West
101-10820 24 Street SE
Calgary, AB
T2Z 4C9

Dear Sirs,

The Company and the Union agree to change the safety footwear subsidy as outlined within article 21.05 as follows:

Each employee will receive a yearly allowance of \$200.00, subject to CRA tax guidelines, which are currently non-taxable, for the purpose of purchasing appropriate safety footwear and work clothing for the duration of this agreement.

Inactive employees will receive the allowance upon their return to work on a prorated basis.

Payment will be made within the first month of each year. Any employee receiving this allowance shall not be eligible for any other Company provided safety footwear and/or work clothing subsidy. Should an employee be hired after this payment is made in the first month of the year, they will be eligible for the Company provided subsidies.

Sincerely,

For TCRC,



Myron Becker
VP & Chief Labour Officer
CPKC

Wayne Apsey
General Chairman
TCRC CTY-East

Ed Mogus
General Chairman
TCRC LE-East

Dave Fulton
General Chairman
TCRC CTY West

Greg Lawrenson
General Chairman
TCRC LE West

Appendix 5 - Letter Re: Kawartha Lakes Railway

August 21, 2024

Ed Mogus
General Chair LE East
Suite 246, 6-1500 Upper Middle Rd
Oakville, ON
L6M 0C2

Wayne Apsey
General Chair CTY East
9 3rd Street
Smiths Falls, ON
K7A 3H5

Dear Sirs,

This has reference to various discussions during this round of negotiations concerning the need to address issues unique to the Kawartha Lakes Railway.

It was agreed to renew the Collective Agreement between Canadian Pacific Limited and the Teamsters Canada Rail Conference on behalf of the Trainpersons and Locomotive Engineers employed on the Havelock/Nephton Internal Short line (KLR).

The following amendments will apply effective January 1, 2024:

1. KLR Article 5, clause 5.4 will be amended to increase wages under the terms of the National Agreement; Memorandum of Settlement dated August 21, 2024.
2. KLR Article 25.1 will be amended to reflect renewed for a period of three years commencing August 21, 2024.

Note: Any retroactive payments to active employees will be made within 30 calendar days following the effective date of the agreement.

The following amendments will apply effective with this Agreement coming into effect:

3. Grievance and dispute resolution procedures will be amended to reflect the terms of the National Agreement.
4. Housekeeping

Remove Articles 5.5 & 5.6 as follows:

~~5.5 Employees working under this agreement will be subject to a gainsharing program which will be tied to the performance of the ISL. Development of the gain sharing program will be by way of a Union/Company committee with the use of a third~~

party consultant who has expertise in the field of gain sharing. Components of this program will include but are not limited to:

- a) — Specifications on qualifications to determine participation.
- b) — Implementation on July 1, 1996.
- c) — Payouts prorated on a quarterly/annual basis.
- d) — Attainable targets.
- e) — A gainsharing fund that will represent approximately 20% of the net financial improvement of the ISL which will be dispersed to employees.
- f) — Gainsharing benefits in the approximate range of 5 to 10 percent or a portion thereof, of gross annual wages as determined by the achievement of established targets.

5.6 A discretionary fund of 1% of payroll will be established at the close of each calendar year. These funds will be used, at the discretion of the ISL team, for initiatives which will enhance the performance of the ISL.

If you are agreeable with the foregoing, could you please indicate your concurrence below.

Sincerely,



Myron Becker
VP & Chief Labour Officer
CPKC

For TCRC,

Wayne Apsey
General Chairman
TCRC CTY-East

Ed Mogus
General Chairman
TCRC LE-East

Appendix 6 - Letter Re: Kootenay Valley Railway

August 21, 2024

Greg Lawrenson
General Chair LE West
101-10820 24 Street SE
Calgary, AB
T2Z 4C9

Dave Fulton
General Chair CTY West
101-10820 24 Street SE
Calgary, AB
T2Z 4C9

Dear Sirs,

This has reference to various discussions during this round of negotiations concerning the need to address issues unique to the Kootenay Valley Railway.

It was agreed to renew the Collective Agreement between Canadian Pacific Limited and the Teamsters Canada Rail Conference on behalf of the Trainpersons and Locomotive Engineers employed on the Kootenay Valley Railway (KVR).

The following amendments will apply effective August 21, 2024

1. KVR Appendix "C" Pay Rates will be amended to increase wages under the terms of the National Agreement; Memorandum of Settlement dated August 21, 2024.
2. KVR Article 24 Duration of Agreement will be amended to reflect renewed for a period of 3 years commencing January 1, 2024.

Note: Retroactive payments to active employees will be made within 30 calendar days following the effective date of the agreement.

The following amendments will apply effective with this Agreement coming into effect:

3. Grievance and dispute resolution procedures will be amended to reflect the terms of the National Agreement.
4. Amend Article 5.9 to read: Hour for hour work train rates will be paid for excessive switching due to un-marshaled trains. KVR Manager must also be involved. **Building more than 2 blocks on a train due to being unmarshalled will constitute excessive switching.**

If you are agreeable with the foregoing, could you please indicate your concurrence below.

Sincerely,

A handwritten signature in black ink, appearing to read 'Myron Becker', with a long horizontal stroke extending to the right.

Myron Becker
VP & Chief Labour Officer
CPKC

For TCRC,

Dave Fulton
General Chairman
TCRC CTY West

Greg Lawrenson
General Chairman
TCRC LE West