

MEMORANDUM OF AGREEMENT

between

CANADIAN PACIFIC RAILWAY (the Company)

and

THE CANADIAN COUNCIL OF RAILWAY OPERATING UNIONS

Brotherhood of Locomotive Engineers

and

United Transportation Union

(the CCROU)

CONCERNING THE OPERATION OF THE INTERMODAL SERVICES SHEPARD FACILITY AT CALGARY

Contents

PREAMBLE

1. TRAINING
2. CREW CONSIST
3. SHIFTS, WORK DAYS, REST DAYS AND BREAKS
4. RATES OF PAY
5. DUTIES
6. BULLETIN AND AWARD OF POSITIONS
7. GENERAL HOLIDAYS
8. AUXILIARY LIST AND RELIEF
9. REVIEW
10. NO PRECEDENT - NO PREJUDICE
11. COVERAGE
12. RATIFICATION

PREAMBLE

The Company will open its new Shepard Intermodal Services ("Shepard") facility at Calgary, on or about October 1, 1998.

Because the Company and the CCROU want to have Shepard operated by employees represented by the CCROU, they have joined together to address mutual issues of efficiency, productivity and exemplary customer service as well as the long-term growth and viability of the operation. It is understood that the Council is concerned with ensuring the achievement of customer satisfaction at the Shepard facility and that they will encourage their members to display a keen interest and individual initiative to achieve this goal.

Therefore, the parties have agreed upon the following which will address the special operating requirements of the Shepard facility.

TOP of Page

1. TRAINING

1.1 Representatives from the CCROU, Intermodal Services, Prairie District Field Operations, Industrial Relations, and others who may provide specific expertise, will jointly develop a training program and minimum qualification standard for employees who are desirous of working at the Shepard facility. Once qualified to work at the Shepard facility, in order to remain qualified for such service, employees must maintain the qualification standards and objectives outlined in this Agreement.

1.2 The training program will be developed by August 15, 1998, and bulletining and training will be completed by September 15, 1998.

1.3 Ongoing training shall be provided to update employees qualified to work at the Shepard facility as the need arises.

TOP of Page

2. CREW CONSIST

2.1 The crew consist at the Shepard Intermodal facility will be an Intermodal Locomotive Engineer (ILE) and an Intermodal Conductor/Foreperson (ICF).

TOP of Page

3. SHIFTS, WORK DAYS, REST DAYS AND BREAKS

3.1 It is expected that the Shepard facility will be operated on a 24-hour per day, 7-day per week basis. This schedule is subject to change, depending upon experience with the actual operation and, therefore, the operation covered by this Agreement will be jointly reviewed by the parties after the first 60 days, taking into account the switching requirements, days of service, hours of service, etc., to determine if continued full coverage is necessary.

3.2 Assignments will be advertised using any of the following shift/day off patterns according to business needs and requirements at the Shepard facility;

- 8 hours per day, five days per week with 2 rest days per week
- 10 hours per day, four days per week with 3 rest days per week
- 12 hours per day, with a rolling schedule of 4 days on and 4 days off

3.3 Changes to the work schedule will be made only after joint consultation between the appropriate local officers of the Company and the Council and will only be initiated upon 72 hours' bulletined notice to the crews, unless it is mutually agreed to waive such notice.

3.4 Starting times of assignments will be fixed and the starting time of a crew will not be changed without at least 48 hours' advance notice.

3.5 Relief assignments may be bulletined having variable starting times. Such starting times need not be the same for each day of the assignment but, on assignments with variable starting times, will be such that a minimum of 8 hours off duty time is provided between shifts. Where the starting time of the following shift is exactly 8 hours from ending time of the preceding shift, overtime on such shift will be voluntary and will not exceed 2 hours.

3.6 Shepard crews shall be entitled to one 20 minute lunch break with pay. Breaks will be arranged so as not to interfere with the operation of the facility and in consultation with the supervisor on duty.

3.7 Shepard employees working on an 8-hour shift may book rest after 10 hours on duty; employees working on a 10-hour or a 12-hour shift may book rest after 12 hours on duty. In no case may rest be booked which will extend beyond the starting time of the next tour of duty. Shepard employees will give at least two hours' notice of their desire to book rest.

TOP of Page

4. RATES OF PAY

4.1 The rate of pay for a Intermodal Locomotive Engineer working in Conductor Only Road Switcher service shall be: (1998 RATES)

- Hourly - \$25.00
- Daily - \$200.00 (eight hours)
- Daily - \$250.00 (ten hours)

- Daily - \$300.00 (12 hours)

4.2 The rate of pay for a Intermodal Conductor/Foreperson working in Conductor Only Road Switcher service shall be: (1998 RATES)

- Hourly - \$22.80
- Daily - \$182.40 (eight hours)
- Daily - \$228.00 (ten hours)
- Daily - \$273.60 (12 hours)

4.3 Should an assignment be operated on the 10-hour or 12-hour per day schedule, the daily rate shall be calculated by multiplying the hourly rate by the number of hours worked per tour of duty.

4.4 Overtime shall be triggered only after completion of the bulletined shift, i.e., after the 8th or 10th hour in those shift arrangements outlined in Clause 3 above. Employees working 12-hour shifts shall not be required to work overtime on any assigned work day.

4.5 Any shift worked on an assigned rest day, regardless of which schedule applies, will be at the rate of 1 and 1/2 times the hourly rate of pay, for a minimum of 8 hours.

4.6 Except as provided in Clause 7.2, Shepard assignments will not be cancelled on an ad hoc basis.

4.7 Employees working at Shepard shall not be eligible for other payments and/or premiums outlined in the Collective Agreement including Conductor-Only premiums/payments.

TOP of Page

5. DUTIES

5.1 Employees working at the Shepard facility shall perform the following duties;

- All required switching and marshalling of rail cars associated with the movement of Intermodal Services traffic within as well as in and out of the Shepard facility.
- The transfer of cars between Shepard and Alyth, as required.
- Coordination of activities within the Shepard facility and with through trains or transfers making set-offs or lifts at the Shepard facility.
- Assisting through trains or transfers making set-offs or lifts at the Shepard facility, in order to expedite such trains or transfers. This assistance shall be provided by both members of the Shepard road switcher crew and shall require the locomotive engineer to perform additional duties, including but not limited to, lining switches, making cuts, application of hand brakes, etc.
- Maintenance of inventory using computers and the Company's Common YARDS program.
- "Rescue" or relief of train en route to Shepard or Alyth, within a 30-mile distance of Shepard in any direction so long as there is no switching associated with such "rescues", and provided that customer service at Shepard is not affected.

TOP of Page

6. BULLETIN AND AWARD OF POSITIONS

6.1 Positions at Shepard shall initially be bulletined and awarded to qualified candidates under the provisions of the collective agreements, or such local practices as may exist.

6.2 Following the initial awarding, positions shall be rebulletined at the semi-Annual General Advertisement of Assignments.

6.3 To be awarded a position at Shepard, employees must have successfully completed the training program outlined in Clause 1 above.

TOP of Page

7. GENERAL HOLIDAYS

7.1 An employee holding an assigned position at Shepard who qualifies for General Holiday pay will be paid an amount equal to the daily rate of pay for his or her assignment.

7.2 Depending on operating requirements, assignment(s) may be cancelled at Shepard on General Holidays.

7.3 An employee who qualifies for General Holiday pay and is required to work on a General Holiday will be paid, in addition to the pay in clause 7.1, at a rate equal to one and one-half times his or her regular rate of wages for the shift worked on the holiday.

TOP of Page

8. AUXILIARY LIST AND RELIEF

8.1 Training as outlined in Clause 1 above shall be provided to an additional number of employees, beyond the number of positions actually required.

8.2 Employees who have successfully completed the training program but who are unsuccessful in obtaining a bulletined position shall have their names placed on a Shepard Auxiliary List and such employees shall be called to provide relief for regular Shepard employees during periods of annual vacation, illness, leaves, etc.

8.3 Auxiliary employees called to fill positions on an ad-hoc basis due to the absence of the regular, assigned employee shall be paid the rates outlined in Clause 4 above.

8.4 Should the Shepard auxiliary list be exhausted, ad hoc vacancies shall be filled according to local rules and practices.

8.5 Auxiliary employees, other than those on spareboards, may remove their names from the auxiliary list(s) in accordance with the requirements of the operation and in compliance with local rules and practices.

TOP of Page

9. REVIEW

9.1 This agreement is subject to review upon notice by either party to the other following a period of operation of not less than 180 days.

TOP of Page

10. NO PRECEDENT - NO PREJUDICE

10.1 The parties signatory to this Memorandum of Agreement understand and mutually acknowledge that this agreement is entered into without precedent or prejudice and that it will not be used by either party for any reason without the consent of the other party.

TOP of Page

11. COVERAGE

11.1 Where not specifically provided for in this agreement, the provisions of the existing collective agreements will apply. If a conflict exists between the terms of this Agreement and the applicable collective agreement, this Agreement will take precedence.

TOP of Page

12. RATIFICATION

12.1 This agreement is subject to the ratification processes contained in the appropriate Council constitutions. Notice of ratification will be provided by a separate letter no later than August 4, 1998.

Signed at Calgary, Alberta, this 25th day of July, 1998.

TOP of Page



**Letter of Understanding – Amendments to Memorandum of Agreement
Re: Operation of the Intermodal Services Shepard Facility at Calgary**

This letter dated _____ shall not form part of the Collective Agreement and is subject to ratification of an overall settlement.

Dave Fulton
TCRC General Chairperson CTY West
101-10820 24 St SE.
Calgary, AB
T2Z 4C9

Greg Edwards
TCRC General Chairperson LE West
101-10820 24 St SE.
Calgary, AB
T2Z 4C9

Dear Sirs,

This is further to the discussion between the parties with respect to the 1998 Memorandum of Agreement concerning the Operation of the Intermodal Services Shepard Facility at Calgary (Calgary Intermodal Facility), more specifically item 3.6 regarding lunch.

As reflected in our discussions, the parties agree to amend Item 3.6 to read:

3.6 Shepard crews shall be entitled to one 20 minute lunch break with pay **when working an 8 hour per day schedule and two 20 minute lunch breaks with pay when working a 10 or 12 hour per day schedule.** The initial lunch break will occur between the second and fifth hour. The second lunch break (when required) will occur between the eighth and tenth hour. Breaks will be arranged so as to not interfere with the operation of the facility and in consultation with the intermodal supervisor on duty.

Unless otherwise stipulated herein, all other components of the 1998 Memorandum of Agreement and 2018 Letter of Understanding concerning the operation of the Calgary Intermodal Facility remain in effect.

Sincerely,

For TCRC,

Myron Becker
Chief Labour Officer
Canadian Pacific

Greg Edwards
General Chairman
TCRC West LE

Dave Fulton
General Chairman
TCRC West CTY