

MEMORANDUM OF AGREEMENT

Between

CANADIAN PACIFIC

and the

Teamsters Canada Rail Conference – Trainpersons and Locomotive Engineers
Concerning the lease of the St. Thomas Subdivision

1. SCOPE AND INTENT

- 1.1. Effective on or about December 14, 2009, the St. Thomas Subdivision will be leased to the Ontario Southland Railway (OSR), which will assume control over daily operations. Further, the OSR will be granted running rights on the Galt Subdivision between Mile 88.7 and 84. Canadian Pacific will retain running rights on the St. Thomas Subdivision.
- 1.2. The purpose of this agreement is to address significant adverse effects, if any, as a direct result of the abolishment of the TK 12 Assignment, which is based out of Woodstock, Ontario and operates on the St. Thomas Subdivision.
- 1.3. As a result of this material change (the abolishment of the TK 12 Assignment that is crewed out of London, Ontario), 3 permanent positions will be affected.

2. EFFECTIVE DATE

- 2.1. These changes will be effective with the lease of the aforementioned territories, anticipated to be on or about December 14, 2009.

3. EARLY SEPARATION INCENTIVES

- 3.1. In recognition of the unique circumstances of this agreement, it is agreed that three (3) Early Separation Incentives in the amount of \$25,000 each will be offered by bid and will be awarded in seniority order.
- 3.2. One (1) such Incentive will be made available for one Locomotive Engineer.
- 3.3. Two (2) such Incentives will be made available for the Conductors, Trainpersons, and or Yardpersons.
- 3.4. These Incentives will be bulletined on September 21, 2009 for a period of 60 days. The successful applicants will be notified and will be required to apply for pension at that time. The effective date of each successful applicants' pension will commence no earlier than the effective date of the change.
- 3.5. Any remaining Early Separation Incentives not claimed during the initial bulletin period will be bulletined on June 1, 2010 for a period of 90 days and every six months thereafter and will be bound by the terms of Item 3.4.

- 3.6. Should eligible employees covered by this agreement not bid for these Early Separation Incentives, they will be re-bulletined as described in Item 3.5, for a period of five (5) years. Unclaimed Early Separation Incentives will expire five years after the date of the official implementation. The final bulletin will be specified as a last chance bulletin for any remaining Early Separation Incentives.

4. ELIGIBILITY REQUIREMENTS

- 4.1. These Incentives will be made available to Running Trades Employees who meet the following requirements:
 - 4.1.1. On the day prior to the notice of material change, August 23, 2009, a Locomotive Engineer must have been represented by TCRC Division 528 LE or a Conductor, Trainperson or Yardperson must have been represented by TCRC Division 528 CTY London and,
 - 4.1.2. Must be a Running Trades Employee who was actively employed on the day prior to the notice of material change, August 23rd, 2009 and,
 - 4.1.3. Must be eligible to retire.
 - 4.1.4. To be eligible for the Incentive allocated for the Locomotive Engineers, the candidate must be set up on the Locomotive Engineers working list on the effective date of the bulletin(s).
 - 4.1.5. To be eligible for the two (2) Incentives allocated for the Conductors, Trainpersons, Yardpersons, the candidate must be set up on the Conductor, Trainpersons, and Yardpersons working list on the effective date of the bulletin(s).

5. FINAL DISPOSITION

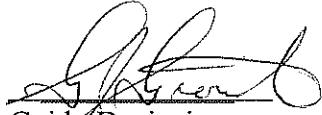
- 5.1. This Memorandum of Agreement disposes of all concerns pertaining to all benefits and any adverse affects associated with the St. Thomas Subdivision material change. As described in the notice of material change dated August 24th, 2009.
- 5.2. Any dispute respecting the interpretation, application or alleged violation of this agreement may be progressed as provided for in Step 3 of the Grievance Procedure.


6. WITHOUT PRECEDENT OR PREJUDICE

- 6.1. The signatory parties to this agreement understand and mutually agree that this agreement is entered into without precedent or prejudice and it will not be used by any party for any reason without the express written consent of the other party.

SIGNED this 17th day of September, 2009.

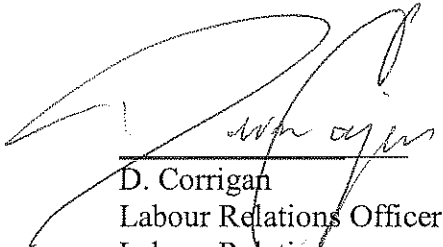
FOR THE COMPANY:


Guido Deciccio
AVP Operations
Field Operations

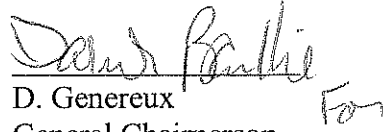

G. Gionet
Manager of Operations
Field Operations, London Terminal

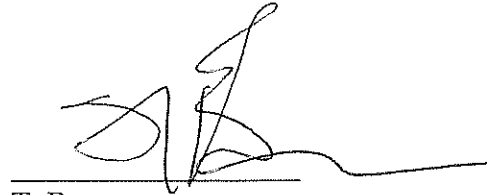

J. Bairaktaris
Director
Labour Relations

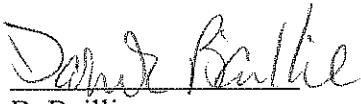

A. Azim Garcia
Manager
Labour Relations


D. Corrigan
Labour Relations Officer
Labour Relations

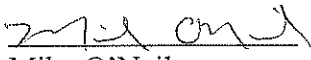
FOR THE UNION:


D. Genereux
General Chairperson
TCRC – Trainpersons East


T. Beaver
General Chairperson
TCRC – Locomotive Engineers East


B. Baillie
Local Chairperson
TCRC – Trainpersons East


T. Sonier
Local Chairperson
TCRC – Locomotive Engineers East


Mike O'Neil
Vice Local Chairperson
TCRC – Trainpersons East

September 17, 2009
Canadian Pacific
St. Thomas Agreement