

November 29th 2014

LETTER OF UNDERSTANDING BETWEEN CANADIAN PACIFIC RAILWAY AND TEAMSTERS CANADA RAIL CONFERENCE DIVISION 295 CONCERNING THE CONDUCTOR ONLY PREMIUMS (EC) AND OFF MAIN TRACK (OM) PAYMENTS WHEN LIFTING/SETTING OFF AT VAUGHAN YARD.

The Company and the Union agree to create a defined location where Conductor Only and Off Main Track claims will commence and cease when lifting and or setting off at Vaughan Yard.

All trains required to enter the Vaughan Facility will work under the direction of the on-duty Vaughan Terminal Manager.

Once instructions have been received to enter the facility, Conductor only premium will commence after accepting signal 15-4 on the Mactier Subdivision to enter Vaughan (North lead).

Trains required to enter Vaughan from the siding, time will begin when the movement has commenced into the south leg of the wye.

When required to leave a portion of the train on the siding at Elder or main line, when lifting or setting off at the Vaughan Facility, the EC payment will commence once the train has been separated. All time occupied within the facility will be incorporated into the EC Claim.

Trains authorized to depart Vaughan Yard will have their EC claim cease once the train accepts signal 15-3C or enters the siding at Elder.

If for some unknown reason upon train departure, the train is stopped for a condition such as a mechanical defect, i.e. handbrakes, or train line problem, a 10 minute grace period will be accepted. If the defect persists outside the 10 minute grace period, signal 15-3C will no longer apply in this situation and the EC claim time will be taken at the point when the train resumes departure.

Off main track (OM) claims will begin and end at the "AEI" reader near Huntington Road.

This Letter of Understanding is made without precedent or prejudice and is subject to cancellation upon thirty (30) days written notice by either party.

For the Company:

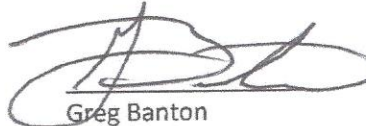


Tina Sheaves
General Manager
Eastern Region

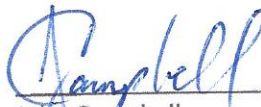


Andrew Creighton
Superintendent
GTA/Toronto North

For the Union



Greg Banton
Local Chairman
TCRC-CTY 295



John Campbell
Local Chairman
TCRC-LE 295