

Letter of Understanding

This letter is referring to the expansion of the Toronto terminals specifically Oshawa Yard. During talks regarding expanding the Toronto terminals to include Oshawa to allow the Frame Train the ability for point to point service for General Motors, concerns were raised by the Union. These concerns were that Oshawa Yard was an outpost terminal (Closed Yard) and with the expansion of the Toronto Terminal to include Oshawa Yard, the Union was requesting that the:

1. Dead Heading to and from Oshawa of one hour and thirty minutes each way be protected.
2. That the gas allowance of forty (40) km each way be maintained.
3. That accommodations be provided for employees who are called on an ad hoc basis or called till cancelled.

It was agreed that these three issues would be maintained and that the Company would continue to compensated the employees the dead heading of one hour and thirty minutes, the gas allowance of 40km each way and to provide accommodations for employees who are called on an ad hoc basis.

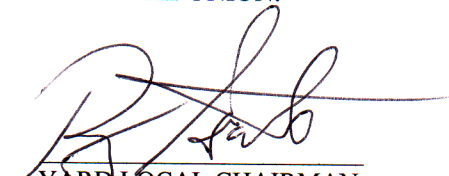
It is understood that this letter of understanding further clarifies the existing practice presently in place in Toronto.

FOR THE COMPANY:




MANAGER YARD OPERATIONS

FOR THE UNION:



YARD LOCAL CHAIRMAN



**General Committee of Adjustment
Canadian Pacific Railway - Eastern Network - Trainmen**

Ray Gallop
Local Chairman
Trainperson Yard
Toronto

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June 7th, 2006

Letter of Understanding Oshawa Yard

1.0 OVERVIEW

The parties agree that with the signatory signing below, and effective June 7th, 2006 at 0001 The Three New Position Known as the Utility Persons, Located at Oshawa Yardl will follow the terms and conditions set out below.

2.0

The Utility persons duties will consist of assisting Conductors Only Crews arriving and departing the Oshawa Yard Terminal. The Utility persons will be required to preform the duties assigned to them from the Supervisor on duty or any other work required to assist other yard crews in Oshawa Yard.

3.0

The Company agrees to supply transportation for the Utility persons to assist him in the performance of his/her duties.

(a)The Utility persons will not be required to use his/her own means of transportation to perform his/her duties.

(b)If the employee is requested to utilize his/her own vehicle to perform his/her duties, account Company vehicle not available, and the Utility persons agree to

sent to protect this assignment from the Toronto Spareboard. The employee will be paid One hour and thirty minutes at Yard Foreman Rates each way irrespective of mode of transportation at the beginning and at the end of the vacancy.

(a) Employees who elect to use their own personal mode of transportation will be compensated in the amount of 40kls each way at the applicable rate in the Collective Agreement.

(b) This assignment will be classed as an out of town assignment and will require a three hour call.

6.0 NO PRECEDENT – NO PREJUDICE

The signatory parties to this agreement understands that same is entered into on a without precedent prejudice basis and agree that this agreement will not be used by either party for any reason without the express written consent of the other party.

7.0 DURATION


This agreement will be in effect on the signing date and may be cancelled by either party upon providing a 30-day written notice of cancellation.

*****NOTE*****

This Utility assignments will be a one man position. This position will not form part of any existing or future crew consist as outlined in the TCRC Collective Agreement, and will not be required to take the place and fulfill the duties of regularly assigned positions but will be required to assist all crews as directed by the Terminal Supervisor.

I concur;


For the Company



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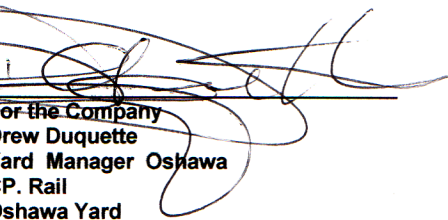
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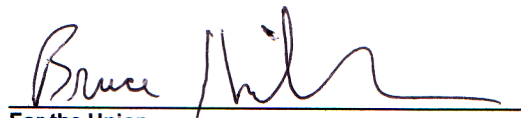
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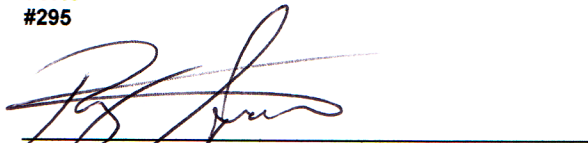
concur;



for the Company
Crew Duquette
Lead Manager Oshawa
P. Rail
Oshawa Yard



For the Union
Mr. Bruce Hiller
Local Chairman Road
TCRC
#295



Ray Gallop
Local Chairman Yard