

10 104(04)

MEMORANDUM OF SETTLEMENT

BETWEEN THE

CANADIAN PACIFIC RAILWAY COMPANY

AND THE

NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA (CAW-TCA CANADA)
(hereinafter referred to as the "Union")

RE

APPLICATION OF WAGE INCREASES, AMENDMENTS TO WORK RULES
AND OTHER CHANGES COVERING THE YEAR 2004

10104(04)

PREAMBLE

During the negotiations the Union raised the issue of the Company's reorganization now that C.P. Limited announced its intention to establish Canadian Pacific Railway as a separate and independent Company.

It is the Union's concern that this new structure will invite potential buyers to purchase C.P.R. The Union is concerned about stability of the work force and a measure of security for their members.

On this note, the parties have agreed to the following:

- a) The Company and the Union acknowledge their mutual intention to renew or revise the collective agreement expiring December 31, 2003 according to the terms herein.
- b) For greater certainty, it is agreed that the duty to bargain collectively in good faith, and any other obligations arising out of the notice to bargain for the renewal or revision of the collective agreement expiring on December 31, 2003, are deemed satisfied by the collective bargaining, and entering into, of this Memorandum of Settlement.
- c) The Company and the Union agree that the term of this collective agreement will be for a period of one (1) year commencing automatically upon the expiry of the collective agreement in force until December 31st, 2003, and terminating on December 31st, 2004. ✓
- d) In consideration of the terms herein and in consideration of the terms contained in the Memorandum of Settlement dated March 12, 2001 concerning the collective agreement in force from January 1st, 2001 until December 31, 2003, the Company and the Union agree as follows:
 - i) Effective January 1st, 2004, a wage adjustment of 3% on all basic rates of pay in effect December 31st, 2003. ✓
 - ii) Effective January 1st, 2004, the pension formula shall be increased for employees who are represented by the Union to 1.8% of the members Highest Plan Earnings up to the Average YMPE. This pension improvement is subject to the approval of the Board of Governors and the Pension Committee and will not form part of the collective agreement. ✓
 - iii) Effective January 1st, 2004, MBOP payments will be included in pensionable earnings. Such payments will be included in the calculation of highest plan earnings for the purposes of determining benefits in respect of post January 1st, 2004 pensionable service. ✓

e) Benefit improvements:

i) Life insurance:

Effective January 1st, 2004, the group life insurance coverage will be increased from \$33,000 to \$34,000 for employees who have compensated service with the Company on or subsequent to that date if otherwise qualified under the provisions of the Benefit Plan. ✓

ii) Disability benefits:

Disability benefit payment for claims which originate on or after the following dates will be as follows: ✓

Effective January 1 st , 2004	70% of weekly base pay up to a maximum benefit of \$570.00
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iii) Dental fee:

Effective January 1st, 2004, 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 2004, or in the absence of same, the amount deemed reasonable by the plan's insurer. ✓

f) It is understood that this contract extension is subject to ratification.

g) The parties may serve notice to bargain for the renewal or revision of this Collective Agreement at any time subsequent to August 31, 2004.

h) It is understood that the terms of this Memorandum of Settlement are subject to ratification and that both this Memorandum of Settlement and the Memorandum of Settlement for the collective agreement expiring December 31st, 2003 must ratify. Should either of them fail to ratify, then neither shall take effect.

SIGNED AT CALGARY, ALBERTA, this 12th day of March, 2001.

FOR THE COMPANY:

FOR THE UNION:

Assistant Vice-president

Transportation Director, CAW

Director, Labour Relations

President, Local 101

General Manager Operations,
Mechanical Services

Vice-president, Pacific Region

Service Area Manager,
Mechanical Services

Vice-president, Prairie Region

Manager, Labour Relations

Vice-president, Eastern Region

Labour Relations Officer

Vice-president, Atlantic Region

Labour Relations Officer

National Representative

Labour Research Officer

Financial Secretary

Bargaining Committee Member

Bargaining Committee Member

Bargaining Committee Member

Bargaining Committee Member

National Safety and Health
Representative

JOB SECURITY' AGREEMENT

Effective June 1, 1995

between

Canadian Pacific Limited

and the

Brotherhood of Maintenance of Way Employees

Signatory Hereto

re:

Supplemental Unemployment Benefits;
Severance Payments; Training; Relocation Expenses;
Technological, Operational, Organizational Changes;
Employment Security; Separation Allowances.

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This Job Security Agreement made effective the **1st** day of June **1995**, cancels and supersedes for the: Union signatory hereto, the Job **Security** - Technological, Operational and Organizational Changes Agreement signed April **29, 1992** covering employees represented by the TCU, **BMW, IBEW NO. 11, IAM, IBEW, IBB&B, UAJAP, SMWIA, AND IBF&O**, except that **Article 7** of the Agreement signed April **29, 1992** will continue to apply until August **1, 1995**. Effective August **1, 1995**, employees will be governed by the Article 7 contained in this Agreement.

This **Job Security** - Technological, **Operational** and **Organizational** Changes Agreement incorporates the provisions included in the Memorandum of Agreement dated May **5, 1995**.

DEFINITIONS

In this Agreement, **the** terms used herein will have the meanings as hereinafter provided and the words implying the masculine gender **include** the feminine:

- (a) **"Admitted Group"** means those groups which have been admitted to coverage under the Job Security Agreement **as** provided in Article 3.
- (b) **"Basic Seniority Territory"** means that Seniority Territory as defined in the Collective Agreement.

NOTE: "Basic Seniority Territory" as referred to in **Article 4.1(d)** and Article 4.1(iii)(c) in this Agreement shall be as defined in each of the relevant Collective Agreements, and shall be the seniority territories in effect for the various groups under the relevant Collective Agreements, except that these shall be: no lesser than the Superintendent's Division or the equivalent thereof. The Basic Seniority Territories as they existed at May **20, 1971** or subsequently, where changed by the mutual agreement of the parties, shall not be changed without the mutual consent of the parties.

- (c) **"Claim Week"** means a full week of seven consecutive calendar days of lay off.
- (d) **"Collective Agreement"** means a Collective Agreement between the Company and a Union representing employees of the Company.
- (e) **"Committee"** means the Administrative Committee established pursuant to Article 2.
- (9) **"Company"** means Canadian Pacific Limited, and its subsidiaries and joint properties. It also includes an employer associated with Canadian Pacific Limited, a group of whose employees **has** been admitted to the Agreement **as** provided for in Article 3.

- (g) "Cumulative Compensated Service" (CCS) means:
- (i) One month of cumulative compensated service shall consist of 21 days or major portion thereof.
 - (ii) Twelve months of cumulative compensated service shall constitute one year of cumulative compensated service. For partial year credit, **six** or more months of cumulative compensated service shall be considered "as the major portion thereof" and shall be counted as a year of credit. Service of less than six months of cumulative compensated service shall not be included in the computation.
 - (iii) Time off duty on account of bona fide illness, injury, authorized maternity leave, to attend committee meetings, called to court as a witness, or for uncompensated **jury** duty not exceeding a total of 100 days in any calendar year, shall be included in the computation of cumulative compensated service.

(h) "Eligible Employee(s)" means an ~~employee~~ of the Company represented by the Union signatory hereto who is eligible for benefits pursuant to the eligibility requirements related thereto.

3e (i) "Employment Security" means that ~~an~~ employee of the Company hired prior to May 1, 1992 who has completed eight years of cumulative compensated service with the Company will have employment security as provided in Article 7. For an employee hired on or after May 1, 1992, employment security means fourteen years of cumulative compensated service, as provided in Article 7.

(j) "Master Agreement" means the Memorandum of Agreement entered into between the Company and the Union signatory to this Job Security Agreement on May 5, 1995.

(k) "Railway" means Company.

(l) "SUB or Supplemental Unemployment Benefits" means weekly layoff benefits.

(m) "Technological, **Operational** and Organizational Changes" means as follows:

"Technological": the **introduction** by the employer into his work, undertaking or business of equipment or material of a different nature or kind than that previously **utilized** by him in the operation of the work, undertaking or business; or

"Operational or Organizational": a change in the manner, method, procedure or organizational structure by which the employer carries on the work, undertaking or business not directly related to the introduction of equipment or material provided that **any** such change is not brought about by:

- (i) a permanent decrease in the volume **of** traffic outside of the control of the company; or
- (ii) a normal reassignment of duties arising out of the nature of the work in which the employee is engaged; or
- (iii) a normal seasonal staff **adjustment**.

Note: Any permanent shutdown or permanent partial shutdown of an operation, facility or installation, shall be considered as a Technological, Operational or **Organizational** change. **Any** permanent Company- initiated changes (excluding changes which are brought about by general economic **conditions**) which result from the reduction **or** elimination of excess plant capacity shall also be considered as Technological, Operational **or** **Organizational** changes.

**ARTICLE 1 - REGISTRATION OF SUPPLEMENTAL UNEMPLOYMENT
BENEFIT PLAN**

- 1.1 The parties agree that it is their intent that Supplemental Unemployment Benefits be paid only for temporary periods (the specific duration being set out in the provisions of this Agreement). Employees in receipt of SUB continue their employment relationship with the Company, retain their seniority **rights**, and **are** required to **accept** temporary or permanent assignments as provided in this Agreement or become **disentitled to SUB**. An Article 8 **notice** reflects a permanent change; the lay-off therefore is indefinite; however, it may be temporary since the **employee** retains his seniority and is subject to recall to work in accordance with the provisions of his collective agreement.

ARTICLE: 2 - THE ADMINISTRATIVE COMMITTEE

- (see Art 3 for def)
- 2.1 There is hereby established an Administrative Committee consisting of four **members**, two of whom shall be appointed by the Company, and two of whom shall be appointed by the Union.
- 2.2 The members of the Committee shall be appointed yearly and shall hold office until the **31st** day of December next following the date of their appointment. At the same time and in ~~the~~ same manner a like number of substitutes shall also be named. Should a vacancy occur on the Committee, whether **temporary** or otherwise, the vacancy shall be filled by one of the **substitute** members appointed by the same body which appointed the original member. Each **party** shall notify the other, in writing, of the members and substitutes **appointed** to the Committee within five days of the date of their appointment.
- 2.3 The Notice referred to in Article 2.2 shall be given in the manner following:
- (a) Notice on behalf of the Union shall be given by the System Federation General Chairman of the Union **signatory** hereto (or a person authorized by him) addressed, and mailed by registered post, to the Assistant Vice-president, Industrial Relations, CP Rail, Windsor Station! Montreal.
 - (b) Notice on behalf of the Company shall be given by the Assistant Vice-president, Industrial Relations, of the Company (or a person authorized by him), addressed, and mailed by registered post, to the System Federation General Chairman of the Union.
- 2.4 Three members of the Committee shall be a quorum.
- 2.5 **The members of the Committee shall** elect from their own number, two **Co-Chairmen**, one from the Union and one from the Company, who shall hold office until the **31st** day of December of the year for which they are appointed or until such earlier day as may be fixed by the Committee.
- 2.6 Each member of the **committee** present at a meeting shall have the right to cast one vote on each question provided **there** is an equal number of representatives present. Decisions of the Committee shall be carried **by** three or more votes. In situations where there is an unequal number of representatives, voting will be carried out on a block basis, except a member may vote against a fellow member. Decisions of the Committee shall be final and binding. Committee meetings shall be held as required. It is agreed that all issues forwarded to the Committee shall be handled without **undue** delay.

Grievance Procedure and Final Disposition of Disputes

- 2.7 Except as otherwise provided in this Agreement, should any dispute arise respecting the meaning, interpretation, application, administration or alleged violation of this Agreement, such dispute shall be progressed in accordance with the provisions of the applicable Collective Agreement commencing at the final step of the grievance procedure.
- 2.8 Failing settlement of such dispute at the final step of the grievance procedure, should either party elect to progress the dispute it shall do so by referring it to the Committee, EXCEPT that if the dispute is one involving the question of whether or not a change is of a Technological, Operational or Organizational nature as contemplated under **Article 8.1** of this Agreement, then such dispute shall be progressed to arbitration under the provisions of the applicable Collective Agreement.
- 2.9 The request to have the Committee adjudicate upon a dispute must be submitted in writing within sixty days of the date a decision was rendered at the final step of the grievance procedure. The request shall be submitted in writing to the Co-chairmen of the Committee and shall be accompanied by a joint statement of issue and joint statement of facts. If the parties cannot agree upon such joint statement, either or each, upon notice in writing to the other, may submit a separate statement to the Co-chairmen of the **Committee**.
- 2.10 In the event the Committee is unable: to reach a decision to the satisfaction of the Union progressing ~~the~~ grievance, the: Union may require the question to be referred to arbitration, The parties **will** submit a Joint Statement of Issue or Issues to the Canadian Railway Office of Arbitration, such Joint Statement of Issue or Issues will be that submitted under Article 2.9 to the Committee.
- 2.11 If the Union signatory hereto does not belong to the Canadian Railway Office of Arbitration, it will submit the Joint Statement of Issue **or** Issues to a single Arbitrator. In the event that the parties are unable to agree on an Arbitrator, then the party requesting arbitration shall request that the Minister of Labour appoint an Arbitrator.
- (i) The **Company** and the Union will respectively bear any expenses each, has incurred in the presentation of the case to the Arbitrator, but any general or common expenses, including the remuneration of the Arbitrator, will be divided equally.
 - (ii) In the event that the parties do not agree upon a Joint Statement of Issue or Issues remaining in dispute, either or each may submit a separate statement to the Arbitrator in accordance with the procedure outlined above for the Joint Statement and the other party will be provided with a copy thereof.

- (iii) The Arbitrator will hear the dispute within 30 days from date of the request for arbitration and will render his decision together with reasons therefor in writing within 30 days of the **completion** of the hearing.

2.12 **When** a question has been referred to an Arbitrator as provided for in Article 2.10 or 2.11 hereof, **the** Arbitrator shall have all the powers of the Committee as set out in **Article 3** hereof in respect of that question. The Arbitrator shall have no power to add to, subtract from, or modify any of the terms of this or any other Collective Agreement. The: decision of the Arbitrator shall be final and binding.

ARTICLE 3 - POWERS OF THE ADMINISTRATIVE COMMITTEE

- 3.1 Subject to the provisions of this Agreement, the Committee shall have full and unrestricted power and authority and exclusive jurisdiction to deal with and adjudicate upon all matters relative to this Agreement, which does not add to, subtract from, or modify any of the terms of this Agreement or any other Collective Agreement. The Committee shall not have any power to deal with and adjudicate upon any benefits not specifically provided for in this Agreement nor in any subsequent plan reached between the Company and the Union signatory hereto.
- 3.2 The Committee shall have the power to admit to coverage under the Job Security Agreement, any applicant bargaining unit that has a Collective Agreement with the Railway, subject to such conditions as may be determined from time-to-time by the **Committee**. Unless otherwise agreed between the employer **and** the **Union** making application for admission, any unit seeking Admitted Group status can only be admitted under the same terms and conditions as apply to other employees in the Agreement. A union and employer who wish to seek **admission** to the Agreement for an appropriate bargaining unit, must make a joint application addressed to the Co-chairman of the Committee.
- 3.3 (a) Notwithstanding the provisions of Article 3.1 the following types of case; not specifically covered by this Agreement may be submitted to the Committee for adjudication and payment **of** benefits, but such cases shall not be subject to arbitration:
- (i) **special** case(s) involving extenuating circumstances.

Note: In the event of employee relocation, the appropriate System Union Officer may ~~meet~~ with the Manager, Labour Relations, to discuss whether or not there are extenuating circumstances to warrant that a special relocation allowance is required. In the event that **such** discussions do not result in mutual agreement, the appropriate Union ~~Officer~~may, within 30 calendar days, refer the outstanding issue to the Committee.

- (ii) special case(s) of temporary layoffs of not more than 16 weeks lending **themselves** to an orderly implementation of layoff procedures based on the principle of inverse seniority. Where it is **agreed** that such special case(s) exists this principle is to be applied at the work location where the layoffs are occurring and on an optional basis after all employees with less than two **years** service have been laid off,

- (iii) special case(s) of permanent staff reductions lending themselves to special offers of optional early retirement separation allowances to employees eligible, or within one year of eligibility, to retire under Company pension rules so as to prevent the otherwise unavoidable relocation and permanent separation of employees with two or more years of service.

The **separation** allowance to apply in each such special case of optional early retirement is **to** be a lump sum payment calculated on the basis of the following formula:

Years of Cumulative Compensated Service	Number of Weeks Salary Credited for Each Year of Service Remaining to Normal Retirement
35 or more	4.5
34	4.4
33	4.3
32	4.2
31	4.1
30	4.0
29	3.9
28	3.8
27	3.7
26	3.6
25	3.5

NOTE: (a) A partial year of service remaining to normal retirement is to be expressed on a monthly basis, e.g. 4 years and 1 month (or major portion thereof) equals 4 1/12(4.083) years.

(b) One week's salary shall be the employee's **Basic Weekly Rate** at the time of the **change**.

(b) The **Committee may** only approve such special case(s) and resultant payments required conditional upon the Committee's observance of the following governing principles:

- (i) approval of such special case(s) shall not involve increasing the existing benefit levels in the **Job Security Agreement**.
- (ii) approval of such special case(s) shall not be incompatible with the terms of the **Job Security Agreement**.

- (iii) approval of such special case(s) referred to in Article 3.3(a) (i) and (ii) above shall not involve costs higher than 90% of the costs that would otherwise have been incurred as a result of the standard application of the Job Security Agreement.
 - (iv) approval of any special case(s) under 3.3 (a) (ii) shall be contingent upon notification by the Canada Employment and Immigration Commission that employees who avail themselves of such **an** inverse seniority layoff procedure **will** not be disqualified nor disentitled from unemployment insurance benefits for so doing.
 - (v) approval of such special case(s) shall not involve the modification of any Company plans or agreements dealing with such matters as **pensions**, health and welfare. etc.
 - (vi) approval of special case(s) involving special offers of optional early retirement separation allowances shall include the payment of money to the Pension Fund if it is demonstrated that such early retirements result in additional costs to the Pension Fund.
- (c) The foregoing procedures shall not alter the effective date of staff reductions.

ARTICLE: 4 - SUPPLEMENTAL UNEMPLOYMENT BENEFITS AND SEVERANCE PAYMENTS

Eligibility

4.1 (i) **An employee** who is not disqualified under Clause (iii) hereof, shall be eligible for a benefit payment in respect of each Claim Week provided he meets all of the following requirements:

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- (a) He has two years or more of continuous employment relationship at the beginning of the calendar year in which the period of continuous layoff in which the Claim Week occurs began (calendar year shall be deemed to run ~~from~~ January 1st to December 31st);
- (b) For Supplemental Unemployment Benefit payment, a continuous waiting period of seven days in the period of layoff has expired. Each period of **layoff** will require a new seven-day waiting period in order to establish eligibility for Supplemental Unemployment Benefits, except that once an **employee** has been on layoff for more than seven days, and is recalled to work for a period of less than ninety calendar days, such employee **will** immediately become eligible for Supplemental Unemployment Benefits upon layoff within such ninety days;
- (c) **He** has made application for benefits in the prescribed form and in accordance with the procedures prescribed by the Committee;
- (d) **He** has exercised full seniority rights on his Basic Seniority Territory as provided for in the relevant Collective Agreement, except as otherwise expressly provided in Clause (iii), paragraph (b) of this Article 4.1.

(ii) **An employee** who, on being laid off, does not qualify under paragraph (a) of Article 4.1 (i) shall, if **still** laid off in the next calendar year, qualify under said paragraph (a) if at the beginning of said next **calendar** year he has two years of continuous employment relationship. The seven-day waiting period **provided** for in Paragraph (b) of Article 4.1(i), shall commence from the 1st day of January of that year.

(iii) Notwithstanding anything to the contrary in this Article, **an** employee shall not be regarded as laid off

- (a) during any day or period in which his employment is interrupted by leave of absence for any reason, sickness, injury, disciplinary action (including time held out of service pending investigation), failure to exercise seniority (except as otherwise expressly provided for in Clause

(iii) (b) hereof, retirement, Act of God, including but not limited to fire, **flood**, tempest or earthquake or a reduction or cessation of work due to strikes by employees of the Railway;

- (b) during any interval between the time that he is recalled to the service of the Company **after** a period of layoff, and the time at which he actually resumes work during any waiting period provided For in the relevant Collective Agreement; except that an employee who does not, as a consequence of the foregoing, return to service on the day work is available shall be **governed** by the provisions of Article 4.8 of this Agreement, on the ~~same~~ basis as if he had returned to work on the date such work became available;
- (c) if he declines, for any reason, other than **as** expressly provided for in Clause (iii) (b) above, recall to work on his Basic **Seniority** Territory in accordance with the seniority provisions of the relevant Collective Agreement;
- (d) If, as provided in Article 4.12, he fails to accept either a temporary or permanent vacant position at his home location in other bargaining units represented by a union signatory hereto;
- (e) in respect of any period in which he is receiving other payments of any **kind** or nature directly **from** the Company, except as otherwise expressly provided in Article 4.8;
- (9) during any **recognized** period of seasonal layoff as defined in Article 10;
- (g) after his dismissal **from** the service of the Company;

4.2 An employee who is on layoff on the effective date of this Agreement and not receiving Supplemental Unemployment **Benefits** but who now qualifies for benefit payments in accordance with the terms of this Agreement shall be entitled to claim Supplemental Unemployment Benefit payments for the period of layoff subsequent to the date such claim is received by the designated Company officer providing such claim is submitted within sixty calendar days of the effective date of this Agreement. The period of continuous layoff immediately **prior** to the date: claim is received by the designated Company officer shall be applied to the waiting period defined in Article 4.1, (i)(b). Such **employee** who fails to file a claim within **sixty** calendar days of the effective date of this Agreement will forfeit his right to any benefit payments unless subsequently returned to work and again laid off.

SUB - Entitlement

- 4.3 (a) **For** each **year** of Cumulative Compensated Service (or major portion thereof) an employee will be allowed a gross layoff benefit credit of five weeks for each such year. This will be calculated from the last date of entry into the Company's **service** as a new employee.
- (b) Employees who have 8 or more years of CCS but less than 20 years CCS, will be allowed a gross layoff benefit credit of six weeks for each such year. This will be calculated from the last date of entry into the Company's service as a new **employee**.

NOTE: In arriving at net layoff benefits available for an employee, any previous **layoff** payments made **by** the Trustee under the provisions of previous Job Security Agreements and Article 4 of **this** Agreement must be taken into account on a 'weeks of benefits paid' basis.

For **example**, if an employee with 10 years Cumulative Compensated Service **was** laid off under the provisions of this Agreement, he would be treated as follows:

Gross weeks of layoff benefits entitlement -- 10 (yrs) x 6 wks.	60 weeks
Less weeks of layoff benefits paid under the provisions of previous Job Security Agreements and Article 4 of this Agreement	10 weeks
Net Layoff Benefits available	50 weeks

- (c) The accumulation of gross layoff benefit credits pursuant to the above shall apply until such time as the employee has completed twenty **(20)** years of Cumulative Compensated Service, **when** the maximum layoff benefit will apply:

Years of Cumulative Compensated Service	Maximum Period for which Weekly Benefits payable for Each Period of Lay OFF
20 years or more but less than 25 years	3 years
25 years or more but less than 30 years	4 years
30 years or more	5 years

4.4 Except as provided in Article 4.5 hereof, an eligible employee who is laid off, and whose layoff benefit credit is reduced due to Supplemental Unemployment Benefit payment being made during the period of layoff in accordance with Article 4 of this Agreement, will, on recall, accumulate layoff benefit credits in accordance with the above provisions of **this** Article.

4.5 An employee who at the beginning of the calendar year has completed 12 years of Cumulative Compensated Service and subsequently receives Supplemental Unemployment Benefits due to layoff in accordance with the provisions of Article 4 of this Agreement shall, upon return to service after termination of layoff, be credited with the accumulated layoff benefit weeks he **had** to his credit at the time of layoff.

4.6 An Eligible Employee, as defined in Article 4.1 may, at the expiration of the seven-day waiting **period** specified in paragraph (b) of said Article 4.1(i), make application to a designated officer in the form and manner prescribed by the Committee, for Supplemental Unemployment Benefits as follows:

(a) Employees with TWO or more years of continuous employment relationship and **LESS THAN TWENTY YEARS** ' Cumulative Compensated Service:

(i) A Supplementary Unemployment Benefit for each complete week of seven calendar days laid off following the **seven-day** waiting period referred to in Article 4.1 of an amount that, when added to unemployment insurance benefits and/or outside earnings in excess of those allowable under unemployment insurance for such week, will result in the **employee** receiving 80 per cent of his basic weekly rate at time of layoff (hourly-rated employees 40 x the basic **hourly** rate; seasonal **employees**, 80 per cent of average weekly earnings **over** the eight weeks preceding layoff).

(ii) During any week following the seven-day waiting period referred to in Article 4.1 that an Eligible Employee is not eligible for unemployment

insurance benefits account eligibility for such benefits having been exhausted or account such employee not being insured for unemployment, insurance benefits, or account unemployment insurance waiting period, such employee may claim Supplementary Unemployment Benefits for each complete week of seven calendar days laid off of the maximum unemployment insurance weekly benefit currently in force (for 1995 the **maximum** payment is **\$448.00**) or such lesser amount that when added to the employee's 'outside **earnings** for such week will result in the employee receiving 80 per cent of his basic weekly rate (hourly-rated employees 40 x the basic hourly rate; seasonal employees, 80 per cent of average weekly earnings over the eight weeks preceding layoff).

(iii) Supplemental **Unemployment** Benefits provided for under Article 4.6 shall cease when an Eligible Employee has exhausted the benefit accumulation as specified in Article 4.3 of this Agreement.

(b) Employees with **TWENTY OR MORE YEARS** of Cumulative Compensated' , Service:

(i) A Supplemental Unemployment Benefit for each complete week of seven calendar days laid off **following** the seven-day waiting period referred to in Article 4.1 of an amount that, when added to unemployment insurance benefits and/or outside earnings in excess of those allowable under unemployment insurance for such week, will result in the employee receiving 80 per cent of his basic weekly rate at time of layoff (hourly-rated employees 40 x the 'basic hourly rate; seasonal employees, 80 per cent of average weekly earnings **over** the eight weeks preceding **layoff**).

(ii) During any week following the seven-day waiting period referred to in Article 4.1 that an Eligible Employee is not eligible for unemployment insurance benefits account eligibility for such **benefits** having been exhausted or account such employee not being insured for unemployment insurance benefits, or **account** unemployment insurance waiting period, such employee may claim a Supplemental Unemployment Benefit for each complete week of seven calendar days laid off of an amount that, when added to outside earnings, will result in the employee receiving 80 per cent of his basic weekly rate at time of layoff (hourly-rated employees 40 x the basic hourly rate; seasonal employees, 80 per cent of average weekly earnings over the eight weeks preceding layoff).

4.7 It shall be the responsibility of the employee to report for each week for which he is **claiming** a Supplemental Unemployment Benefit under this Agreement, any **amounts** received in **unemployment** insurance benefits in respect of such week, as well as any

wages earned during such week while employed outside the Railway. In the event an employee does not report all such outside earnings for any particular week; this will be interpreted as notice from him that his outside earnings for such week are the same as those for the previous week.

4.8 No Supplemental Unemployment Benefits will be made for parts of a Claim Week except that:

- (a) Recall not covered by Clause (b) below An employee who has qualified for **Supplemental** Unemployment Benefits in accordance with Clause (i) of Article 4.1 and who returns to work for part of the last Claim Week and thereby receives earnings from the Company in that last Claim **Week**, may make application for a partial Supplemental Unemployment Benefit which, when added to the earnings received in that week and to unemployment insurance benefits and/or outside **earnings** in excess of those allowable under unemployment insurance for such week, will result in the employee receiving 80 per **cent** of his basic weekly rate at time of layoff (hourly-rated employees 40 x the basic hourly rate; seasonal employees, 80 per cent of average weekly earnings over the eight weeks preceding layoff).
- (b) Temporary recall for less than five working days **An** employee who has qualified for Supplemental Unemployment Benefits in accordance with Clause (i) of Article 4.1 will not have his Supplemental Unemployment Benefit payment reduced for any Claim Week during which he returned to the service temporarily for less than five working days.

EXAMPLE OF PAYMENT FOR PART WEEK ON RECALL

4.9 Assume that an employee with a rate of \$15.00 per hour (\$120.00 per day, \$600.00 per week) is laid off Friday, February **10/1995** (last day worked February **9th**) and **recalled** to work Wednesday, March **22nd, 1995**. This is 40 days, or 5 weeks and 5 days.

For the purpose of this illustration, the employee's Supplemental Unemployment Benefit Claim Week is Friday to Thursday, and the unemployment **insurance** claim week is Sunday to Saturday.

In these: circumstances the employee's benefit entitlement would be **as** follows:

SUB Claim Week 1 -- Nil (waiting period)

SUB Claim Week 2 -- (i) employee with less than 20 years of service -- unemployment insurance maximum - \$448 (from SUB)

(ii) employee with 20 or more years of service -- 80% OF basic weekly salary at the time of lay-off
(80% x \$600) **\$480 (from SUB)**

SUB Claim Week 3, 4 & 5 -- 80% of basic weekly salary at the time of layoff (80% x \$600) **\$480 (\$330* UI and \$150 from SUB)**

* 55 % of Average Unemployment Insurance earnings up to a **maximum** of \$448.

SUB Claim 'Week (March 17-March 23, 1995, inclusive)

--	For unemployment insurance purposes, employee works 2 days, (March 22 and 23 -- both of which days fall in one UI claim week) - Earnings	\$240.00
--	Deduct unemployment insurance allowable earnings (25 % of employee's unemployment insurance entitlement. of \$330)	\$ 83.00
--	Net earnings for unemployment insurance purposes	\$157.00
--	Unemployment insurance entitlement during last SUB Claim Week - \$330 - \$157	\$173.00

In order to make up the 80% of his basic weekly rate during the last SUB Claim Week, **i.e \$480**, the employee would **receive:**

--	Two day's wages for Thursday, March 22 and 23/95	\$240
--	Unemployment Insurance entitlement	\$173
--	Supplemental Unemployment Benefit	\$ 67
	T O T A L	\$480

NOTE: A partial week of SUB counts as 1 week to be deducted from SUB entitlement.

SPECIAL, PROVISIONS FOR EMPLOYEES WITH TWENTY YEARS OR MORE OF CUMULATIVE COMPENSATED SERVICE

- 4.10 (i) An employee with 20 years of Cumulative Compensated Service who, in any calendar year, is laid off and unable to hold work on his **Basic** Seniority Territory shall, upon return to work, count the period of layoff, up to a maximum of 100 days in any such calendar year from 1976 on, towards the qualifying period for vacation in the ensuing years; such period of layoff in one year shall, upon return to work, also count as service for determining the vacation entitlement in the following year. **Layoff** days credited for vacation purposes shall not be used in any other manner to obtain #additional credit.
- (ii) An employee with 20 years of Cumulative Compensated Service who is laid off and unable to hold work on his Basic Seniority Territory will have his group life insurance continued during the period of layoff, up to a maximum period of two years from date of layoff.
- 4.11 Any agreement reached between the parties shall not be valid in respect of benefits under this Agreement unless approved by the Canada Employment and Immigration Commission on the basis that no deductions shall be made from the Government unemployment insurance payments by reason of Supplemental Unemployment Benefits. Notwithstanding anything contained in this Agreement, no Eligible Employee shall receive for any week, a layoff payment under this Agreement in excess of that which can be allowed the employee without any reduction in his unemployment insurance payment.

Work at Home Location

- 4.12 Employees in receipt of Supplemental Unemployment Benefits must avail themselves of work at their home location in accordance with the following, or forfeit Supplemental Unemployment **Benefits** entitlement:
- a) An employee will be required to accept permanent and temporary vacancies, subject to qualifications, at his home location in other bargaining units listed below. These must be vacancies which occur after all bulletining and recall provisions of the relevant Collective Agreements have been exhausted. Failing to do so, his benefits will be forfeited for the duration of that vacancy, but all other rights will remain.

Group 1: **BMW, TCU, CSC System Council No. 11** of the IBEW

Note: For the purposes of this provision, a temporary vacancy is defined as one of at least 7 and less than 90 calendar days duration. A permanent vacancy is defined as one of at least 90 calendar days in duration.

- b) **An** employee accepting a vacancy in another bargaining unit will continue to accumulate seniority in the classification from which laid off. Such employee **must** accept recall to the: first permanent vacancy in his original classification at his home location. Failure to do so will result in his loss of seniority in his original classification.
- c) Should a permanent vacancy arise in a signatory union at a time when several members **of** other signatory unions are on laid-off status and receiving benefits, the vacancy will be offered to the laid-off employees in order of Cumulative Compensated Service. **Only** the most “junior” (i.e. in years of service) will be required to **accept** the vacancy pursuant to paragraph a) above. This provision comes into effect only after acknowledgement by the Canada Employment and Immigration Commission that it will not invalidate the SUB registration.
- d) **An** employee who accepts a vacancy pursuant to paragraph (c) above will be **compensated** while so employed at 80 percent of his basic weekly rate at time of layoff (hourly-rated employees 40 x the basic hourly rate; seasonal employees, 80 per cent of average weekly earnings over the eight weeks preceding layoff), or the established rate for the vacancy, whichever is the higher. In the application of this provision if it is necessary to supplement the basic rate of the position concerned, each week so supplemented shall be deducted from the employee’s Supplemental Unemployment Benefits entitlement. Provided the employee remains in a position to which a supplement applies, such supplement will be paid until such time **as** the amount expended for supplementary payments equals the amount of Supplemental Unemployment Benefits he would have received had he not been required to **fill** a vacancy or, until the employee vacates the position, whichever date comes first. In determining the Supplemental Unemployment Benefits he would have received if he had not been required to fill the vacancy, it will be assumed that the employee had no outside earnings. If an employee is laid off from a position occupied pursuant to paragraph (a) above and still eligible for benefits, his benefits will be **calculated** as if he had been laid off from his original classification.
- e) **An** employee who accepts a permanent vacancy in accordance with paragraph (a) above **will**, for purposes of bidding, establish a seniority date in, his new classification based on the date of entry in the new bargaining unit. Ninety (90) **days** after an employee accepts a permanent vacancy in **accordance** with paragraph (a) above, he will, for the purposes of protection against layoff only, **establish** a seniority date in his new **classification** based on the seniority date in the classification from which laid off, In such circumstances, i.e. to protect against layoff **only**, the employee shall displace the junior employee at his **location** in the classification to which transferred. **An** employee who accepts a temporary vacancy in accordance with paragraph (a) above will, for all purposes,

including layoff, establish a seniority date in his new classification based on the date of entry into the new bargaining unit.

- f) **An** employee will be required to **accept** recall to vacancies of expected duration of at least 7 days and less than 90 days in his classification at his home location. Failing to do so, his benefits will be forfeited for the duration of that vacancy, but all other rights will remain. Notice of recall shall be provided as per the Collective Agreement, except when waived by employee.
- g) These provisions shall operate over any clause in any Collective Agreement to the contrary.

Severance **Payment**

- 4.13 (a) In **cases** of permanent **staff** reductions, an employee with two years or more of continuous employment relationship at the beginning of the calendar year, may, upon submission of formal resignation from the Company's service, claim a severance payment as set forth below but such **severance** payment will not in any event **exceed** the value of one and one-half years' salary at the basic rate of the position held at the time of abolishment, displacement or layoff.
- (b) For each year of Cumulative Compensated Service or major portion thereof calculated **from** the last date of entry into the Company's service as a new employee an employee will be allowed credit weeks as follows:
- For each of the first seven years - one week's pay.
- Eight or more years of service - 2.25 weeks of pay for each year of compensated service.
- (c) **An** employee choosing to sever within the first week following lay-off would be entitled to the full severance as provided by the above severance formula,
- (d) **An** employee choosing to sever between the eighth day and the thirtieth day following lay-off would be entitled to 80 % of the above determined severance if such employee has less than eight years of service, or 95 % if such employee has eight or more years of service.
- (e) **An** employee **choosing** to sever in the second or any subsequent month **following** lay-off will have his/her severance entitlement further reduced for **each** additional month by 15 % if such employee has less than eight **years** of service, or 3 % if such employee has eight or more years of service.

- (f) Notwithstanding any other provision in this Agreement, if upon the effective date of resignation from the Company's service an employee is eligible for an early retirement pension, he will not **be** eligible for a severance payment.
- (g) **An** employee eligible for a severance payment who resigns and who at a later date will become eligible for an early retirement pension under the Company pension rules shall be entitled to receive the lesser of:
 - (i) his severance payment entitlement under this Agreement;

OR

- (ii) a lump sum **amount** equal to the basic pay he would have earned had he worked until eligible for an early retirement pension. The basic pay is to be calculated at the employee's basic rate of pay in effect at the time of his resignation.

4.14 An employee laid off as a result of a non-permanent staff reduction will be entitled to claim a severance payment subject to meeting the applicable requirements of this Article, as well **as** the following:

- i) He has been laid off and a continuous waiting period of thirty calendar days in the period **of** layoff has expired **except** that **if** an employee, during such waiting period, is recalled to work for a total of less than five working days the said **30-day** waiting period will not be interrupted as a consequence thereof. Each period of layoff will require a new **30-** day waiting period in order to establish eligibility for a severance payment except that once an employee has been on layoff for more than thirty calendar days, and is recalled to work for a period of less than ninety calendar days, such employee will immediately become eligible for a severance payment upon **layoff** within such ninety days;

Note: **An** employee subject to item (i) **above** may claim weekly layoff benefits pursuant to Article **4.1(i)(b)** of the Job Security Agreement concerned pending expiration **of** the **30-day** waiting period provided in item (i) above.

- ii) He **has** exercised full seniority rights on his basic seniority territory as provided for in the relevant collective agreement, except as otherwise expressly provided in Article **4.1(iii)(a)** and 4.1(iii)(c) of the Job Security Agreement.
- iii) Notwithstanding the provisions of Article 4.13 to the contrary, the severance formula for an individual claiming a severance payment under the provisions of this Article 4.14 is as **follows**:

For each year of Cumulative Compensated Service or major portion thereof calculated from the last date of entry into the Company's service as a new employee, an employee will be allowed credit weeks as follows:

For each of the first ten years - one week's pay;

For the eleventh and subsequent years of service - two weeks' pay.

- iv) **An** employee choosing to sever during the second full month following his lay-off will have his severance entitlement reduced by 35 % if he has less than eight years of service and a further monthly reduction of 15 % for the third and subsequent months, **An** employee **with** eight or more years of **service** will have his severance entitlement reduced by 8 % if he chooses to sever during the second full month following his **lay-off** and a further monthly reduction of 3 % for the third and subsequent months.

ARTICLE 5 - TRAINING

103 5.1 **An**, employee who has Employment Security under the provisions of Article 7 of this Agreement, who has his position abolished and is unable to hold work due to a lack of qualifications, will be trained for another position within his seniority group and, failing that, will be trained (if necessary) in order to fill a position in keeping with the provisions of Article 7. Training (if necessary) will be provided for a position for which he has the suitability and adaptability to perform the duties of that position. Such employee will receive the 40 hour straight time pay associated with his last Railway classification during his period of training, (hourly rated employees, 40 times the basic hourly rate; seasonal employees, 100% of the average weekly earnings over the eight weeks preceding lay **off**).

5.2 **An**. employee who does not have Employment Security under the provisions of Article 7 and has two or more years of Cumulative Compensated Service and:

- a) has been laid off or who has been advised that he may be laid off and **who** is, or will be, unable to hold other work on the Railway because of lack of qualifications, or,
- b) will be adversely affected by a notice served pursuant to Article 8 of this Agreement requiring **an** employee to relocate or suffer a **substantial** reduction in his rate of pay,

will be considered for training for another position within or without his seniority group, providing he has the suitability and adaptability to perform the duties of that position and provided he has indicated a willingness to work in the job for which he may be trained whenever vacancies exist.

5.3 At the option of the Company such training may be:

- a) at **training** classes conducted by **qualified** Railway personnel;
- b) at classes conducted by an approved training agency.

The type of training for which. an employee may apply must:

- i) qualify the employee for a recognized **Railway** position;
- ii) offer a likelihood of employment on the Railway on completion of the training period in a position for which the employee has been qualified; or

- iii) in the case of employees with 20 or more years of Cumulative Compensated Service, include the possibility of qualifying the employee for employment within or **without** the Railway industry.
- 5.4 An employee covered by the provisions of Article 5.2 will receive 80 per cent of the 40 hour straight time: pay associated with his last Railway job classification during his period of training (hourly rated employees, 40 x the basic hourly rate; seasonal employees 80 per cent of average weekly earnings over the eight weeks preceding layoff). In addition, he will be provided for the training period with books, equipment, tools and allowed other necessary supplementary expenses associated with the training program.,
- 5.5 Should an employee covered by the provisions of Article 5.2 be recalled from layoff before the scheduled completion of training, the employee will be allowed to complete the program without forfeiture of pay or seniority rights,
- 5.6 Notwithstanding any agreement to the contrary, the Railway may require an employee who has completed a training program to take a position for which he has been trained.
- 5.7 In addition the Company, where necessary and after discussion with the Union signatory to this Agreement, will provide classes (after work or as arranged) to prepare presently **employed** Railway employees for upgrading, adaptation to technological change and anticipated **new** types of employment on the Railways. The cost of such retraining will be borne by the Company.
- 5.8 Upon request, the **subject** of training of an employee or groups of employees under any of the above provisions shall be discussed by the General Chairman or equivalent and the appropriate **officer** of the 'Railway either prior to or at the time of layoff or at the time of the serving of the notice pursuant to Article 8 or as retraining under Article 5.7 is considered. Any unresolved differences between the parties concerning the usefulness of training for future Railway service, the necessity for retraining or the suitability and adaptability of an employee for training, may be progressed to arbitration in the manner provided in Article 2.10 or Article 2.11, as the case **may** be.

ARTICLE: 6 - RELOCATION EXPENSES

6.1 To be eligible for relocation expenses an employee:

- (a) must have been laid off or displaced, under condition; where such layoff or displacement is likely to be of a permanent nature, with the result that no work is available at his home location and, in order to hold other work on the Railway, such employee is required to relocate; or
- (b) **must** be engaged in work which has been transferred to a new location and the employee moves at the instance of the Company; or
- (c) must be affected by a notice which has been issued under Article 8 of this Agreement and he chooses to relocate as a result of receiving an appointment on a bulletined permanent vacancy which at the time is not subject to notice of abolishment under Article 8 of this Agreement **and** such relocation takes place in advance of the date of the change, provided this will not result in additional moves being made; or
- (d) **must** have Employment Security and be required to relocate to have work under the provisions of Article 7 of this Agreement.

6.2 (a) In addition to fulfilling at least one of the conditions set forth above, the employee:

- (i) **must** have two years' Cumulative **Compensated** Service; and
 - (ii) must be a householder, **i.e.**, one who owns or occupies unfurnished living accommodation. This requirement does not apply to Articles 6.5, 6.6, 6.7 and 6.10; and
 - (iii) must establish that it is impractical for him to commute daily to the new location by means other than **privately-owned** automobile.
 - (iv) must be required to travel an additional 25 miles from his residence to his new location.
(DOES **NOT** APPLY TO 6.10(b).
- (b) Effective August 1, 1995, an employee who qualifies for relocation benefits under this Article as per above and who is affected by an Article 8 Notice and has Employment Security, may elect in lieu of the relocation benefits provided elsewhere in this Article, a lump sum payment as follows:

	Within the Region	On the System
for a home owner	\$25,000	\$50,000
for a renter	\$14,000	\$29,000

Note: **An** employee who is eligible for benefits under Article 6.9 of this Agreement and who is affected by an Article 8 Notice and has ES, may elect in lieu to receive the lump sum payment for a renter as specified above.

Relocation Benefits

- 6.3 Payment of door-to-door moving expenses for the Eligible Employee's household goods and his automobile including packing and unpacking, insurance and up to one month's storage; the **mode** of transportation to be: determined by the Company.
- 6.4 An allowance of up to \$750 for incidental expenses actually incurred as a result of relocation.
- 6.5 Reasonable transportation expenses from his former location to his new location by rail, or if authorized, by bus or **employee-owned** automobile, and up to \$190 for an employee without dependents, and that an additional amount of \$80 will be paid for each dependent for meals and temporary living accommodation. Receipts will be required for rail or bus transportation.
- 6.6 Upon authorization, an employee may drive his automobile to his new location at an allowance per kilometer (or per mile) as specified in the current Collective Agreement.
- 6.7 In order to seek accommodation in his new location **and/or** to move to his new location, an employee will be allowed a continuous period of leave up to one week (seven consecutive **calendar** days). Payment for such leave shall not exceed one week's pay at his regular weekly rate. For other than weekly rated employees, 5 basic days' or 40 hours' straight-time pay shall constitute one week's pay.
- 6.8 (a) **Except** as otherwise provided in Article 6.8 (c), reimbursement of up to \$12,000 for loss sustained on the sale of a relocating employee's private home which he occupied as a year-round residence. **Loss** sustained is determined as the difference between the value determined at the **outset plus** any real estate agent fees, legal fees, including those legal fees on purchase of a home at the new location, and any mortgage closure penalties, and the amount established as the selling price in the deed of sale.

- (b) The procedure to be followed in respect of determining the loss, if any, on the sale of a **home** shall be as described in Article 6.12 - Appraisal Procedure.
- (c) Notwithstanding the provisions of Article 6.8 (a):
 - (i) **should** a change take place involving relocation of Railway employees whereby the number of homes being listed for sale by such Railway employees represent 15 per cent or more of the residential homes in the municipality, the employees required to relocate shall be reimbursed for the full loss on such homes, which loss shall be determined by the procedures described in Article 6.12 - Appraisal Procedure. The number of Railway employees homes referred to above shall, for the purpose of establishing the 15 per cent, include the homes of all Railway employees that are being offered for sale as a result. of and at the time of the change; or
 - (ii) should a change occur **involving** relocation of Railway employees covered by this Agreement as well as Railway employees covered by other Collective Agreements, the maximum amount of \$12,000 specified in paragraph (a) of this Article 6.8 shall be adjusted upward to equal the maximum amount paid account loss on sale of home to any employee covered by such other Collective Agreement.
- (d) **An Eligible Employee** who desires to sell his house and receive any benefit to **which** he may be entitled under Article 6.8 must advise the Company's officer concerned **accordingly within** twelve months of the date the initial change takes place. No employee shall be entitled to any claim under Article 6.8 if the house is not listed for sale within **sixty** days of the date of the final determination of value and thereafter the house continues to be listed for sale. Any claim for reimbursement under Article: 6.8 must be **made** within twelve months of the final determination of value.

Note: Notwithstanding other provisions of Article 6.8, special cases of loss on sale of homes may be submitted to the Committee for adjudication, but such special cases shall not be subject to arbitration.

- 6.9 Payment of the cost **of** moving a **wheeled** mobile home which the employee occupies as a year-round residence. The selection of the mover and the cost of moving the mobile home shall require the prior approval of the Company and shall not, in any event, exceed a total cost of \$6,000. Receipts shall be required

Note: An employee who is eligible for benefits under Article 6.9 of this Agreement and who is affected by an Article 8 Notice and has ES, may elect in lieu to receive the lump sum payment for a renter as specified in Article 6.2(b).

- 6.10 (a) If an employee who is eligible for moving expenses does not wish to move his household to his new location he may opt for a monthly allowance of \$190 which will be payable for a maximum of twelve months from the date of transfer to his new location. **Should** an employee elect to transfer to other locations during such twelve-month period following the date of transfer, he shall continue to receive the monthly allowance referred to above, but subject to the aforesaid 12-month limitation. An employee who elects to move his household effects to a new ~~location~~ during the twelve-month period following the date of his initial transfer will only be eligible for relocation expenses under this Article for one such move and payment of the monthly allowance referred to above shall terminate as of the date of his relocation.
- (b) If an employee must travel more than an additional 15 miles but less than an additional 25 miles from his residence to the new work location, such employee will be entitled to a **monthly** allowance of \$190 which will be payable for a maximum of twelve months ~~from~~ the date of transfer to his new location. Should an employee elect to transfer to other locations during such twelve-month period following the date of transfer, he shall continue to receive the monthly allowance referred to above but subject to the aforesaid twelve-month limitation.
- 6.11 (a) Alternatively to Article 6.8, the cost of **terminating** an unexpired lease and legal costs connected therewith up to a value of three months' rent where the relocating employee was renting a dwelling, will be paid. Should the law require payment of more than three months' rent in order to terminate a lease, such additional amount will be paid, providing the employee first secures the Company's approval to **pay** in **excess** of three months' rent.
- (b) Where a lease was entered into following the notice of the change without prior approval of the Company, no benefit will be provided. **Such** prior approval will not be unreasonably withheld.

APPRAISAL PROCEDURE

- 6.12 When an Eligible Employee desires to sell **his** home, under the provisions, of Article 6.8 (b) of this Agreement, the following procedure will apply:
- (a) In advising the Company officer concerned of his desire to sell his house, the employee shall include pertinent particulars as outlined in sample form attached, including his opinion as to the fair market value of his house.

- (b) **This** fair market price of the house shall be the price determined as of a date **sufficiently** prior to the date of the change in order that the fair market value will be unaffected thereby.
- (c) Within **15** working days from date of receipt **of** employee's advice of his desire to make a claim, the Company officer shall advise the employee concerned whether the suggested fair market value is satisfactory and, if so, such price shall be the fair market value as contemplated by Article 6.8 (a) of **this** Agreement.
- (d) If, however, the officer concerned is not satisfied that the price requested by the employee is the fair market value, then an effort shall be made to resolve the matter **through** joint conference of the **officer** and the employee concerned and the appropriate Union representative if so desired by the employee; such joint conference to be held within **5** working days from date of **advice** to **employee** concerned as referred to in Article 6.12(c).
- (e) If such **joint** conference does not resolve the **matter**, then within **5** days from the date of the **final** joint conference arrangements shall be made for an impartial appraisal to be undertaken as soon as possible by an independent real estate appraiser. The fair market price established by such appraiser shall become the fair market value for the purpose of this Agreement, and such price shall be binding on both parties.
- (9) The employee and Company officer concerned shall endeavour to mutually agree upon the independent appraiser referred to in Article 6.12 (e), If they are unable to agree, then the Minister of Labour shall be **requested** to appoint such **an** independent appraiser.
- (g) The residence shall not have been listed for sale with any appraiser appointed pursuant to the provisions of this Appraisal Procedure, nor with such appraiser's employee, fellow employee or partner.
- (h) The fees **and** expenses of any appraiser appointed in **accordance** with Articles 6.12 (e) or (f) **shall** be paid by the Company.

Note: In the **event** an employee 'desires to sell his home at a price which is less **than** the fair market value as determined by the provisions of this Appraisal Procedure, the Company will be given the right in priority to everyone else to purchase the home.

ARTICLE 7 - EMPLOYMENT SECURITY (ES)

- 7.1 Except as provided in Article 7A, subject to the provisions of this Article and in the application of Article 8.1 of this Agreement, **an** employee will have Employment Security (ES) when he has completed 8 years of Cumulative Compensated Service (CCS) with the Company. An employee on laid-off status on July 9, 1985 will not be entitled to ES under ~~the~~ provisions of this Agreement until recalled to service.
- 7.2 (a) **An employee** who has ES under the provisions of this Article who **is** subjected to lay-off or continuing lay-off as the result of a change introduced through the application of Article 8.1 of the Job Security Agreement shall be eligible for ES payments ~~from~~ the Employment Security Fund (ESF) established pursuant to Appendix "E".
- (b) ES payments shall be 90%, unless subsequently modified, of the employee's basic rate of pay minus all regular deductions including union dues, paid out of the **ESF**. If **an employee** is eligible for Unemployment Insurance (UI), the **UI** shall be topped up to represent 90%, unless subsequently modified, of the employee's basic rate of pay from the **ESF**, subject to SUB registration with Human Resources Development Canada. All benefits while an employee is on ES shall be **maintained**, paid out of the **ESF**, as if the employee were actively employed by the **Company**.
- (c) Employees eligible for bridging **or** early retirement shall not be entitled to ES **benefits** other than those provided for in Article 7.14, Option One and Two.
- 7.3 (a) An **employee** who has Employment Security under the provisions of this Article and who is affected by a notice of change issued **pursuant** to Article 8.1 of the Job Security Agreement, shall be: required to do the following, on an ongoing **basis**, provided the employee is qualified **or** can be qualified in a reasonable period **of** time, in order to protect his ES:
- (1) exercise his seniority rights on his Basic Seniority Territory (BST) in accordance with the terms of the collective agreement;
 - (2) fill an unfilled permanent vacancy at the headquarters of the employee in a position represented by the **BMW** in which the employee in question does not have previously established seniority;
 - (3) fill **an** unfilled permanent vacancy on the BST of the employee in a position represented by the **BMW** in which the employee in question does not have previously established seniority;

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- (4) fill an unfilled permanent vacancy on the Region of the employee in a position represented by the **BMWE** in which the employee in question **does** not have previously established seniority;
 - (5) exercise seniority on the Region to displace the junior employee holding a permanent position in the classification from which affected at the time of the Article 8 notice. If unable to do so, then, he must displace the junior employee holding a permanent position in any other classification in which he holds previously established seniority. Such employee shall be required to accept recall on his former BST only when permanent work is available. Failure to do so shall result in forfeiture of Employment Security and all seniority on his former BST. In the application of this article, the affected employee shall carry **the** seniority dates from his previous seniority territory in the classification into which he displaced and all lower classifications or groups;
 - (6) exercise consolidated seniority on the Region in accordance with Appendix C.

(b) **An** employee who has ES under the provisions of this Article and is unable to hold a position in accordance with Article 7.3 (a) shall be required to exercise the following options provided the employee is qualified or can be qualified in a reasonable period of time to fill the position involved. In filling vacancies, **an employee** who has **ES** must exhaust such available options, initially on a local basis, then on his basic seniority territory, then on the Region:

- (1) fill an unfilled permanent vacancy within the jurisdiction of another bargaining unit.
- (2) there being none:, fill an unfilled permanent vacancy in a position which is not covered by a collective **agreement**.

Note 1: In the application of this Article 7.3 (b) **and** notwithstanding the provisions of the **Collective** Agreement to the contrary, **an** employee who **has** ES while employed outside the **BMWE** bargaining unit shall continue to **accumulate** all seniority in the **BMWE**. Employees who have taken permanent vacancies outside the **BMWE** bargaining unit shall be required to accept recall only to a permanent **position** which his seniority permits him to hold within the **BMWE** bargaining unit on his **BST**. If an employee refuses to accept such recall he will forfeit all entitlement to ES and **will** forfeit his seniority within the **BMWE**.

Note: 2: In the application of this Article 7.3(b), employees on ES shall be ranked for seniority purposes by cumulative compensated service (CCS) regardless of bargaining unit. Vacancies shall be offered to employees on ES status in all bargaining units, in order of CCS, but only the most “junior” (in terms of CCS) shall be required to take the position, first at the location, then on the BST, then on the Region.

- (c) **An** employee who has ES under the provisions of this Article and is unable to hold a position in accordance with Article 7.3(a) or (b), shall be required to fill unfilled temporary or seasonal vacancies, on the Region, in positions represented by the **BMWE**. Reasonable expenses will be paid for vacancies off of the BST. Reasonable expenses will also apply to temporary assignments of under 45 days on the BST.
- (d) in the application of this Article 7.3 unfilled permanent, **temporary or** seasonal vacancies shall mean vacancies which occur after all bulletining and recall provisions of the relevant Collective Agreements have been exhausted.
- (e) An employee who accepts a permanent vacancy outside the **BMWE** bargaining unit, **but** within the Company and is unable to hold **work** as a result of a **Technological**, Organizational or Operational or a Material (running trades) change within five years will revert back to ES under this plan.

7.4 Temporary ‘Work Outside the Bargaining Unit within the Company

- (a) In order to be: entitled to ES, an employee shall be required to take temporary work, **subject** to qualifications, within 35 miles of his **home location** in any bargaining unit as well as positions which are **not** covered by a collective **agreement**. **For** purposes of application of this provision employees on ES at each location shall be ranked for seniority purposes by CCS.
- (b) These must be vacancies which **occur** after all bulletining and recall provisions **of** the relevant Collective Agreements have been exhausted.
- (c) **An employee** accepting a vacancy pursuant to this article 7.4 shall continue to accumulate seniority. **An** employee who has taken a vacancy outside the **BMWE** bargaining unit will only be required to accept **recall** to a permanent position **which** his seniority permits him **to** hold within the **BMWE** bargaining unit on his basic seniority territory. If an employee refuses to accept such recall he shall forfeit all entitlement to ES and shall forfeit his seniority in the **BMWE**.
- (d) **Should** a vacancy arise at a time when several members are on ES status, the ‘vacancy shall be **offered** to the employees on employment security in order **of**

CCS. Only the most "junior" (i.e. in years of CCS) shall be required to accept the vacancy.

- (e) An employee who accepts a vacancy pursuant to this Article 7.4 shall be compensated at his ES rate or the established rate for the vacancy, whichever is higher. Any top-up required will be paid from the ESF.

7.5 Employment Outside the Company

- (a) An employee on **ES** status shall be required to take work outside CP Rail, within 35 miles of his home location in accordance with the provisions set out in this Article. The ES Plan Administrator, as part of his mandate, shall identify and make such job opportunities available to employees on ES status.
- (b) **An employee** accepting employment pursuant to this Article 7.5 shall report all salary and benefits received from such. These amounts shall be deducted from ES payments made from the ESF.
- (c) **An employee** accepting employment pursuant to this Article 7.5 shall not be subject to call for temporary vacancies by the Company on those days that he is employed by the outside Employer. When such employee is working for an outside employer on a less than 5 day per week basis, he shall not be called by the Company on a frequency that would result in his **working** a total of more than 5 consecutive days in a calendar week. Such employee shall, however, be subject to recall, pursuant to the provisions of this Agreement, for permanent vacancies on his former BST. An employee failing to answer recall shall forfeit all entitlement to ES and shall forfeit his seniority within the **BMWE**.
- (d) An employee locating outside employment independently of the Plan Administrator may accept such employment provided he reports all earnings.
- (e) **An employee** whose outside employment is terminated shall forthwith advise the Plan Administrator and the Company and shall revert to his former status, and shall forthwith resume his obligations pursuant to this Article 7.
- (f) Employees **who** do not accept employment **opportunities** or employees who do not declare outside earnings pursuant to this Article 7.5 shall forfeit ES.
- (g) With the concurrence of the Administrative Committee, an employee may take work outside the Company which requires relocation. In that event relocation benefits will be available pursuant to the provisions of the **Job Security Agreement**.

- 7.6 **An** employee who has ES and who fails to comply with the provisions of this Article 7 will lose his ES. Such employee shall, however, be entitled to such other benefits under this Agreement for which he is eligible.
- 7.7 If an employee having eight years or **more** of **CCS** is laid off for **any** reason, then upon request **from** the General Chairman or **other** designated officer, full information regarding the reason for layoff or continuing layoff shall be supplied to him promptly by the appropriate Company officer. If he requests a meeting to discuss this matter, it will be arranged at a mutual convenience without undue delay.
- 7.8 **An** employee shall not be required to relocate if he has within the preceding 5 years been required to relocate under the provisions of the ES plan or has voluntarily elected to transfer with **his** work. This protection will not apply if the employee is eligible, or becomes eligible, for bridging or early retirement benefits.
- 7.9 **An** employee with employment security who has exhausted maximum seniority at his/her home location may displace in keeping with his seniority elsewhere on his basic seniority territory or on the region pursuant **to the** provisions of this Article 7. However, such employee will not be required to **displace** beyond his home location if this would result in a junior employee being placed on ES status. **An** employee exercising this option shall not forfeit ES providing he otherwise maintains eligibility.
- 10d 7.10 **Should** a lay-off occur which does **not** require a notice pursuant to Article 8.1 of the Job Security Agreement, the affected employee(s) shall be permitted to displace the junior employee(s) on ES status at the location, if any, for the duration of such lay-off. The junior employee(s) displaced from ES status as a result of the application of this provision, will be **laid** off and **entitled** to the other benefits contained within the Job Security Agreement, subject to eligibility. When senior employees are recalled to work the junior employees previously reduced from ES to lay-off status, provided that they continue to be on lay off, shall resume their ES status.
- 7.11 **An** employee on ES, **called** to work outside **his** bargaining unit will revert to ES status at the termination of such **work**, provided he has exercised his obligations to hold work pursuant to the ES rules. **Additionally**, when an employee is recalled to work within his own seniority classification and **where the** nature of that work is that it is expected to be of a defined **term** or a special **project of any kind** then, at the termination of such work, provided he has exercised his obligation; to work pursuant to the ES rules he shall revert to ES status.
- 7.12 Where **an** employee is recalled **within** his own bargaining unit on account of **an** apparently permanent increase in workload, and where such workload increase turns out to be temporary, and **there is a consequent** staff reduction within one year of the original recall, the employee will revert back **to ES** status. It is understood that in the application of this provision, the number of individuals going onto ES status following a staff

reduction will be no greater than the numbers recalled initially from ES status as a result of the increase in workload.

- 7.13 Employees may fill unfilled vacancies beyond the Region. Where an employee fills a permanent vacancy outside the Region such employee will be entitled to system relocation **benefits**.
- 7.14 The following options shall be made available to employees entitled to ES protection who are: affected by an Article 8 change and who are unable to **hold** a permanent position after having exercised the requirements set-out above in this Article 7. These options shall **also** be made available to employees who, as a result of choosing an option, would enable an employee with ES protection to hold a permanent position. The Company and the Union may agree to offer options to employees in advance of the implementation of a change pursuant to an Article 8 notice when it is determined that such a change will result in employees with Employment Security protection being unable to hold a permanent **position** within CP Rail. These options shall be provided at Company expense; that is, they shall not be charged against the ESF.

OPTION ONE

- (a) **An** Eligible Employee who is also eligible for Early Retirement under the Company's Pension Plan, shall be entitled to receive a monthly separation allowance until the age of 65 which, when added to his Company pension, shall give him an amount equal to a percentage of his average **annual earnings** over his best five-year period, **as** defined under the pension rules., in accordance with the following formula:

Years of Pensionable Service at Time Employee Elects Retirement	Percentage Amount as Defined Above
35 & over	80
34	78
33	76
32	74
31	72
30	70
29	68
28	66
27	64
26	62
25	60

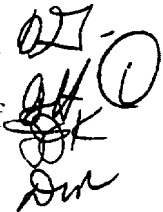
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- (b) **An** employee who elects to be covered by the provisions of this Option One shall be entitled to have his Group Life Insurance and Extended Health and Vision Care benefits

continued fully paid by the Company until age of normal retirement, at which time he shall be provided a Paid-up Life Insurance Policy, fully paid by the Company in an amount equal to that in effect in existing Collective Agreement.

- (c) The separation allowance shall cease upon the death of the employee who dies before reaching the age of sixty-five **(65)**.
- (d) An employee entitled to the separation allowance as hereinabove set out may elect to receive in its stead a lump sum payment equal to the present value of his monthly separation payments calculated on the basis of a discount rate of ten (10) per centum per annum.
- (e) An employee **who** elects benefits under this Option One will not be entitled to any other benefits provided elsewhere in this Agreement.

OPTION TWO

- (a) An Eligible Employee: with ES who is at least fifty **years** of age and who will be eligible for Early Retirement under the Company's Pension Plan within five (5) **years** will be entitled to a bridging benefit as defined herein. **An** employee who is within **five** ^{years} ~~years~~ of normal retirement (age **65**), but who is not eligible for early retirement without reduction, shall be entitled to benefits under this Option Two. 
- (b) An employee who elects to be covered by the provisions of this Option Two shall be paid on the same **bi-weekly** basis as he **was** paid while on active service with the Company. Normal deductions covering pension, income tax, union dues, etc., shall be made in the usual manner. In the application of this Option Two, it is understood that active employment is severed and the employee shall not be entitled to future wage adjustments.
- (c) An employee covered by the provisions of this Option Two will be **compensated** on the basis of **65 %** of the Basic **Weekly** Rate of pay of the Permanent Position held at the time the employee elects the provisions of this Option Two.
- (d) An employee covered by the provisions of this Option Two shall, at the time he qualifies for early retirement under the Company's Pension **Plan**, **also** be entitled to a separation allowance in accordance with the terms **contained** in Option One of this Agreement.
- (e) An **employee** covered by the provisions of this Option Two, while on the bridging plan, shall accumulate credit for pension eligibility purposes **and** pension contributions will continue to be made.
- (f) An employee who elects to be covered by the provisions of this Option Two shall be entitled to have his Group Life Insurance and Extended Health and Vision Care benefits

fully paid by the: Company until he qualifies for normal retirement, at which time he shall be provided a Paid-up Life Insurance Policy, fully paid by the Company in an amount equal to that in effect in existing Collective Agreement. The employee will also be 'covered by the provisions of the Dental Plan fully paid by the Company. This Dental coverage, however, will only remain in effect until ~~the~~ date of the employee's early retirement.

- (g) An employee **who** elects to be covered by the provisions of this Option Two shall at the time of so electing, **make** an **irrevocable** application for bridging and early retirement to the appropriate Company officer and, except as provided in **this** Option Two of this Agreement, he will not be entitled to any other benefits **provided** elsewhere in this Agreement.
- (h) All payments under Option Two shall **cease** upon the death of the employee.

OPTION THREE

- (a) An Eligible **Employee** who is not eligible for a benefit payment pursuant to Options One or Two may, upon submission of formal resignation from the Company's service, claim a severance payment of **\$65,000** plus annual CPI adjustment effective **August 1, 1996** and August 1, 1997.
- (b) An employee who elects to be covered by the provision; of Option Three shall be entitled to have his Group Life Insurance and Extended Health and Vision Care benefits fully paid **by** the Company **for one year**.
- (c) An employee who elects benefits under this Option Three will **not** be entitled to any other benefits provided elsewhere in this Agreement.
- (d) In no event shall the amount of benefit provided under this Option Three exceed the straight earnings that **an** employee would have earned on the position permanently held at the time the employee elects this benefit had such employee continued to work until age 65.

OPTION FOUR

- (a) Notwithstanding anything in the Collective Agreement to the **contrary**, an Eligible Employee choosing this option may be provided with a leave of absence for a period of up **to** three years while **attending** an **educational-training** program as **mutually** agreed to by the Company **and** the Union. During the duration of the **program**, such employee shall receive **90%** of his basic **weekly** rate of pay applicable to the position permanently held at the time of the change **Tess** all regular deductions including Union dues.

- 7D
- (b) Tuition and books for the program will be paid by the Company.
 - (c) Employees will be subject to be called to work while not attending courses.
 - (d) All outside earnings **during** this period of **leave** will be deducted from the employee's pay. Upon **completion**, the **employee** shall forfeit his seniority and entitlement to ES.
 - (e) **An** employee may resign **within** one year of commencement. of the program and **receive** severance less any -payments made by the Company, or the ESF, while in the program.

ARTICLE 7.A - EMPLOYMENT SECURITY FOR EMPLOYEES COMMENCING SERVICE ON OR AFTER MAY 1, 1992

7.A.1 Notwithstanding the provisions of Article 7, employees commencing service on or after May 1, 1992 will have employment security after completion of **fourteen** years of cumulative compensated service with the Company.

7.A.2 **An** employee covered by Article 7.A. 1 above having attained at least eight years, but less than fourteen years, of cumulative compensated **service**, who is affected by a Technological, Operational or **Organizational** change resulting in lay-off, will be covered by the following provisions:

10m

.A supplemental unemployment benefit in **accordance** with the provisions of Article 4 of this Agreement with an amount equal to **90%** of the individual's basic **weekly** rate at the time of lay off.

Benefit duration will be equal to six years or the period from **date** of lay-off to date of recall to work, whichever is the lesser.

The benefit referred to above will be available if the employee is unable to hold work as provided for in Article 4 of this Agreement and **is** unable to hold work pursuant to the employment security provisions of this Agreement which do not require relocation.

7.A.3 The provisions of Article 7 not in conflict with this Article 7.A will apply to employees covered by this **Article**.

ARTICLE 8 - TECHNOLOGICAL, OPERATIONAL AND ORGANIZATIONAL CHANGES

- Ha
- 8.1 The Company will not put into effect any Technological, Operationa. or Organizational change of a permanent nature which will have adverse effects on employees without giving as much advance notice as possible to the General Chairman representing such employees or such other 'officer as **may** be named by the Union concerned to receive such notices. In any event, not less than 120 days' notice shall be given, with a **full** description thereof and with appropriate **details** as to the consequent changes in working conditions and the expected number of employees who would be adversely affected.
- 8.2 When a notice is issued under Article 8.1 and it becomes known to the Company that the change will be delayed for reasons over which the Company has no control, advice will be issued to the General Chairman, or such other officer as may be named by the Union concerned, and **employees** involved explaining the situation and revising the implementation dates. If necessary, more than one such advice may be issued.
- 8.3 When the implementation of a Technological, Operational or Organizational change is delayed or is to 'be delayed at the instance of the Company in excess of thirty **calendar days**, a new notice as per Article 8.1 shall be given.
- 8.4 Upon request the parties shall negotiate on items, other than those specifically dealt with in **this** Agreement with a view to **further** minimizing the adverse effects on employees. Such measures, for example, may be related to exercise of seniority rights, or such other matters as may be appropriate in the circumstances, but shall not include any item already provided for in this Agreement.
- 8.5 If the above negotiations do not result in mutual agreement within thirty calendar days **of** the commencement of such negotiations, or such other period of time as may be agreed upon. by the parties, the matters in dispute may be referred for mediation to a Board of Review composed of an equal number of senior officers of the Company and the Union.
- 8.6 If the Board of Review is unable to **resolve** the differences within a fixed period of time to be determined at the commencement of its meetings, or, some mutually agreed extension thereof, the matters in dispute may be referred for final and binding settlement to arbitration in **the manner provided in** Article 2.10 or 2.11, **as** the case may be. The matters to be decided by the arbitrator shall not include any question as to the right of the Company to make the **change**, which right the Unions acknowledge, and shall be confined to items not otherwise dealt with in this Agreement.

- 8.7 In addition to all other benefits contained in this Agreement which are applicable to all Eligible Employees, the 'additional benefits specified in Article 8.9 are available to employees who are materially and adversely affected by Technological, Operational or Organizational changes instituted by the Company.

Maintenance of Basic Rates

- He 8.8 An employee whose rate of pay is reduced by \$2.00 or more per week, by reason of being displaced due to a Technological, Operational or Organizational change,, will continue to be paid at the basic weekly or hourly rate applicable to the position permanently held at the time of the change providing that, in the exercise of seniority, he

- (a) first accepts the highest-rated position at his location to which his seniority and qualifications entitle him; or
- (b) if no position is available at his location, he accepts the highest-rated position on his Basic Seniority Territory to which his seniority and qualifications entitle him. The maintenance of basic rates, and four-week guarantees, if applicable, will continue until:
 - (i) The dollar value of the incumbency above the prevailing job rate has been maintained for a period of three years, and thereafter until subsequent general wage increases **applied** on the basic rate of the position he is holding erase the incumbency differential; or
 - (ii) the employee fails to apply for a position, the basic rate of which is higher by **an** amount of \$2.00 per week or more than the basic rate of the position which he is presently holding and for which he is **qualified** at the location where he is employed; or
 - (iii) the employee's services are terminated by discharge, resignation, death or retirement.

In the application of (ii) above, **an** employee who fails to apply for a higher-rated position, for **which** he is qualified, will be considered as occupying such position and his incumbency shall be reduced correspondingly. In the case of a temporary vacancy, his incumbency will be reduced only for the duration of that temporary vacancy.

An example of the application of Article 8.9(b) (i) follows:

Date	Basic Rate	Incumbency Level
Oct. 1, 1995	\$500.00	\$550.00
Jan. 1, 1996 (2% inc.)	510.00	560.00
Jan. 1, 1997 (3% inc.)	525.30	575.30
Jan. 1, 1998 (3% inc.)	541.05	591.05
Jan. 1, 1999 (3% inc.)	557.28	591.05
Jan. 1, 2000 (3% inc.)	573.99	591.05
Jan. 1, 2001 (3% inc.)	591.20	Incumbency disappears

For the purpose of this Article 8.9, the basic rate of a position paid on a four-week guarantee basis shall be converted to a basic rate on a forty-hour week basis.

Example - Four-Week Guarantee*

The basic rate of an employee who is guaranteed 179.3 hours for each four-week period, comprised of 160 straight time hours and 19.3 hours at time and one-half which is the equivalent of 189 straight time hours, is \$10.00 per hour at the straight time rate. Inasmuch as his guarantee represents \$1,890.00 per four-week period, his basic weekly rate shall be considered as \$472.50 and his basic hourly rate shall be considered as \$11.81.

ARTICLE 9 - GOVERNMENT ASSISTANCE PROGRAMS

- 9.1 All payments under this Agreement are to be reduced in whole or in part in each case by any amount payable for the same purpose under a Government Assistance Program.**

ARTICLE 10 - SEASONAL EMPLOYEES

- 10.1 Seasonal employees are defined as those who are employed regularly by the Company but who normally only work for the (Company during certain seasons of the year. Articles 4 and 8 of this Agreement shall apply to these employees except that payment may not be claimed by any seasonal employee during or in respect of any period or part of a period of layoff falling within the **recognized** seasonal layoff period for such group. In respect of seasonal employees laid off during the recognized **seasonal** working period, the seven-day waiting period **provided** for in Article 4.1 (i)(b) will apply, except that in the case of a seasonal employee who is not recalled to work at the commencement of the recognized seasonal working period, the seven-day waiting period will begin on the commencement **date of** the recognized seasonal working **period**. Seasonal employees and recognized seasonal working periods shall be as defined in Memoranda of Agreement signed between the Company and the affected Unions signatory thereto.

ARTICLE 11 - CASUAL AND PART-TIME EMPLOYEES

- 11.1 Casual **and** part-time employees are those who work casually on **an** as-required basis from day to day; including those who work part days as **distinguished from** employees who work on regular or regular seasonal positions.
- 11.2 Casual and part-time employees are entirely excluded from the provisions of this Agreement.

ARTICLE 12 - NON-APPLICABILITY OF SECTIONS 52, 54, AND 55, PART I AND SECTIONS 214 TO 226 INCLUSIVE OF PART III OF THE CANADA LABOUR CODE

- 12.1 The provisions of this Agreement are intended to assist employees affected by any technological change to adjust to the effects of the ~~techr.~~ological change and Sections 52, 54 and 55, **Part I**, of the Canada Labour Code do not apply.
- 12.2 The provisions **of** this Agreement are intended to **minimize** the impact of termination of employment on the **employees** represented by ~~those~~ Unions party to this Agreement and are intended to assist those employees in obtaining other employment and Sections 214 to **226 of** Part III **of** the Canada Labour Code do not apply.

ARTICLE 13 - AMENDMENT

- 13.1 **The** parties hereto may at any time during the continuance of this **Agreement** amend its provisions in any respect by mutual agreement.

ARTICLE 14 - COMMENCEMENT

- 14.1 Except as otherwise **provided** in this Agreement, increased benefits under this Agreement **will come** into **effect** on June 1, 1995.

The **improvements** to Article 6 benefit amounts, other than those contained in Article **6.2(b)**, will **come** into effect on June 1, 1995, in regard to employees adversely affected on or after that **date**.

The benefit contained in Article **6.2(b)** will apply effective August 1, 1995.

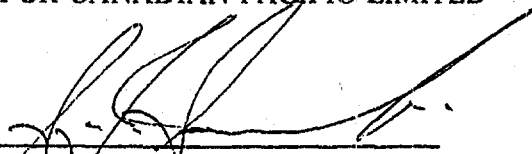
ARTICLE: 15 - DURATION

15.1 This Agreement shall remain in effect until revised in the manner and at the time provided for in respect of the revision of the Master Agreement which is current from time to time.

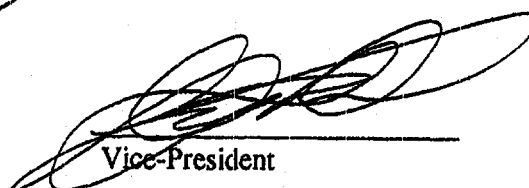
IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed this 12th day of October, 1995, at Montreal, Quebec.

FOR CANADIAN PACIFIC LIMITED

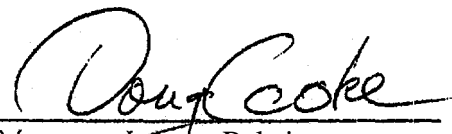
FOR THE UNION:



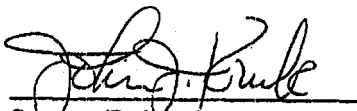
Director, Labour Relations




Vice-President



Manager, Labour Relations



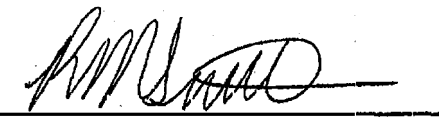
System Federation
General Chairman



Manager, Benefits



Federation General Chairman



Labour Relations Officer



Assistant Labour Relations Officer

APPENDIX " A

ORGANIZATION	AGR.#	CLASSIFICATION	LOCATION
Brotherhood of Maintenance of Way Employees	41	Employees in Track & B&B Department	Lines in Canada
	42	Extra Gang Labourers	Lines in Canada
		Employees in Rail Yards Frog Reclamation Plants	tines in Canada
		Operators, Assistant Operators and Helpers of Power Machines Employees, Work Equipment Repair Shops	tines in Canada
		Employees in Rail Butt Welding	Lines in Canada

APPENDIX "B"

CANADIAN NATIONAL RAILWAYS
CP RAE

March 31, 1971

Mr. R.C. Smith,
Chairman
Associated Non-operating Unions
550 Sherbrooke Street West
Montreal, Quebec

Dear Mr. Smith

Implementation of Canadian Transport Commission **Decisions**

In the event the Company issues a notice under Article 8 of the Job Security Technological Change Agreement relating to a proposed change which requires the proposed implementation date of such change be delayed on account of the Canadian Transport Commission approval not having been received in sufficient time, the Union officers involved may review with the appropriate Company officers the new implementation date proposed if he is of the opinion that the revised date might have adverse effects on the employees involved.

Should any dispute arise out of this review, it may be submitted to the Administrative Committee for adjudication. In such instances, however, the arbitration provisions of the Job Security, Technological Change Agreement will not apply.

Yours truly,

(Original Sgd.)

K.L. Crump
Assistant Vice-president
Labour Relations
Canadian **National** Railways

(Original Sgd.)

J.C. Anderson
Vice-president
Industrial Relations
Canadian Pacific Railway *Co.*

APPENDIX "C"

CANADIAN **PACIFIC** LIMITED

OTTAWA, July 29, 1988

Mr. M.L. McInnes
System Federation
General Chairman
Brotherhood of Maintenance
of Way Employees Union
1706 **Bank** Street
OTTAWA., Ontario
K1V 7Y6

Mr. A.. Passaretti
Vice-president
Brotherhood of Maintenance
of Way Employees Union
1708 **Bank** Street
Suite 1
OTTAWA, Ontario
K1V 7Y6

Gentlemen:

This has reference **to** the award of Arbitrator Dalton L. Larson dated April 11, 1988 concerning the consolidation of seniority units for employment security purposes and Mr. Larson's subsequent clarification of this issue on June 8, 1988.

This letter will confirm **our** understanding that for employment security purposes only:

1. All Atlantic Region employees covered by Agreement 41 and the Supplemental Agreements thereto, will be deemed to have a consolidated seniority date in all **classifications** covered by these Agreements. This date will correspond with the employee's first seniority date in a Maintenance of Way Agreement as referred to above.
2. All Eastern Region employees covered by Agreement 41 and Supplemental Agreements thereto, will be deemed to have a consolidated seniority date in all classifications covered by these Agreements. This date will correspond with the employee's first seniority date in a Maintenance of Way Agreement, as referred to above.
3. All Prairie **Region** employees **covered** by Agreement 41 **and** the Supplemental Agreements thereto, will be {deemed to have a consolidated seniority date in all classifications covered by **these** Agreements. This date will correspond with the employee's **first** seniority date in a Maintenance of Way Agreement, as referred to above.
4. All Pacific Region employees covered by Agreement 41 and the Supplemental Agreements thereto, will be deemed to have a consolidated seniority date in all classifications covered by these Agreements. This date **will** correspond with the employee's first seniority date in a Maintenance of Way Agreement, as referred to above.

5. An employee identified in Items 1 through 4 above, may exercise his consolidated seniority rights for displacement purposes, including the filling of an unfilled permanent vacancy, if he has exhausted his seniority pursuant to Article XII (d) of the Master Agreement dated July 9, 1985 and is still unable to hold work. Failure to do so will result in forfeiture of Employment Security.

NOTE: The filling of an unfilled permanent vacancy will be permitted provided that the employee is qualified or can be qualified in a reasonable period of time.

6. **An** employee who has exercised his consolidated seniority rights into another seniority list contained in Agreement 41 or Supplemental Agreements thereto will be required to accept recall when permanent work is available in his former seniority list. Failure to **do** so will result in forfeiture of Employment Security.
7. **An** employee who has exercised his consolidated seniority rights into another seniority list contained in Agreement 41 or Supplemental Agreements thereto may accept recall for temporary work on his former seniority list. Such employee will have his permanent position advertised as a temporary vacancy. Upon the expiration of the temporary work he **will** be required to return to his permanent position, Failure to do so will result in forfeiture of Employment Security.
8. The provisions outlined in this Letter of Understanding shall operate over any Article in the Collective Agreement to the contrary.

If you are in accord with the above, please so indicate below.

Yours truly,

(Sgd.) D.V. Brazier
Assistant Vice-President
Industrial Relations

I CONCUR:

(Sgd.) M.L. McInnes
System Federation General Chairman
Brotherhood of Maintenance
of Way Employees

(Sgd.) A. Passaretti
Vice-president
Brotherhood of Maintenance

of Way Employees

NOTE: The reference to Article XII(d) in paragraph 5 of this ~~is~~ Article 7.3(b) in this Agreement.

J. H. ...
A. Passaretti
① 122

APPENDIX "D"

Montreal, April 29, 1992

Mr. A.G. Cunningham
System General Chairman
& Secretary
Signal & Communications
System Council No. 11
of the IBEW
Suite 912, 1255 University St.
Montreal, Quebec
H3B 3W4

Mr. D. J. Bujold
National Secretary-Treasurer
Transportation-Communications
International Union
Unit # 11
2285-D St. Laurent Blvd.
Ottawa, Ontario
K1G 4Z7

Mr. J. Kruk
System Federation General
<Chairman
Brotherhood of Maintenance of
Way Employees
2775 Lancaster Road, Suite 2
Ottawa, Ontario
K1B 4V8

Mr. A. Rosner
Executive Secretary
Canadian Council of Railway
Shopcraft Unions
Suite 409
1000 St. Antoine St. W.
Montreal, Quebec
H3C 3R7

Dear Sirs:

Letter of Understanding **Re;** Timing of a **Technological**
Operational or Organizational Change

When the Company has issued notice of a technological, operational or organizational change as provided for in Article 8, Clause 8.1, of the Job Security -- Technological, Operational and Organizational Change Agreement, the officer(s) of the Union(s) upon **whom** the notice has been served and whose members are likely to be affected by the **change** may meet with the appropriate officers of the Company with the object of discussing the proposed implementation date of the change.

It is understood **that any** such change in the proposed implementation date would be considered by the Company on the: basis of the possible alleviation of any undue hardship on the employees if the implementation date were to be changed, plus any other factors which might be considered relevant. It is further understood that nothing in this letter restricts the **right** of the Company to implement the change at the time issued **in** the original notice or at any later time that the Company might consider appropriate.

Should any employee undergo any undue financial hardship as the result of the change, the union(s) involved may refer the situation to the Committee of the Job Security - Technological, Operational and **Organizational** Change Agreement for possible consideration as a special case as contemplated under Article 4 of the Agreement.

'Yours truly,

(Sgd.) D. V. Brazier
Assistant Vice-President
Industrial Relations

(This letter replaces the letters on the same subject of July 9, 1985, March 14, 1986 and May 26, 1989).

APPENDIX "E" (To be **replaced** by formal Trust Fund Agreement)

Appendix "E" will be based on the following principles:

Effective: August 1, 1995, an **Employment Security Fund (ESF)** will be established and shall consist of and be subject to the following conditions:

- i) **An** amount of \$7,500,000 which shall be tax deductible by the Company, will be put in the ESF by the Company as an irrevocable trust on the date the **ESF** is established.
- ii) on a monthly basis effective the **first** of the month following the signing of the agreement, the Company will contribute to the **ESF** an amount equal to **2%** of the gross monthly payroll for all employees represented by the **BMW** in **CP Rail** in Canada;
- iii) on December 1 of each year, starting in **1995**, a contribution of **\$35,000**.
- iv) a contribution of **0.016%** of monthly **payroll** for each employee on **ES** status in excess of **220**. This contribution will be made for the specific period of time such excess employees are on **ES** status;
- v) all income derived from the investments of the Fund;
- vi) the Company's employment security liability will be limited to the lump sum contribution of **\$7,500,000**, the contribution equal **to 2%** of the payroll for all employees represented by the **BMW** in **CP Rail** in Canada, the annual contribution of **\$35,000** as well as any contributions that may be required if and when **the** number of employees on **ES** exceeds **220**.

The Company and the Union will jointly determine rules in regard to the management of the **ESF**.

The Company will pay the salary for an individual appointed by the Union. The functions of this individual will be to find employment for employees on **ES** and to administer the **ESF**. The Plan administrator will advise the parties as to the performance of the **ESF**. Where there is concern as to the performance of the **ESF**, the Plan administrator will meet with the Company and the Union to develop solutions addressing such concerns. Solutions in regard to the **performance** of the **ESF** may include, as an example, modifications to the level of income protection and/or expansion of the obligations on employees to accept employment. Should there be no **agreement** between the **parties** in regard to the legitimacy of the concerns or the proposed solutions, the Plan administrator will refer the matter to binding arbitration.

A **surplus** beyond what is required to fully fund the **ESF**, as determined by the parties, will belong to the employees of the **CP Rail** portion of the **BMW** and may be used as desired.

CP Rail System

Réseau CP Rail

MONTREAL, October 12, 1995

G L Smith
Vice-President
Industrial Relations
Vice-président
Relations industrielles

D V Brazier
Assistant Vice-President
Industrial Relations
Vice-président adjoint
Relations industrielles

M G DeGirofamo
Director
Industrial Relations
Directeur
Relations industrielles

Barbara Mittleman
Director
Employee Relations
Directeur
Relations du personnel

F O Peters
S J Samosinski
Directors
Labour Relations
Directeurs
Relations syndicales

f MacIsaac
Manager
Industrial Relations Research
Directeur
Recherche en relations industrielles

Mr. J.J. Kruk
System Federation General
Chairman
Brotherhood of Maintenance of
Way Employees
2775 Lancaster Road, Suite 2
Ottawa, ON K1B 4V8

Dear Sir:

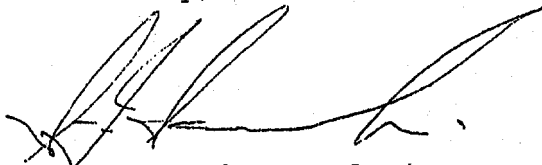
This is to confirm our discussion yesterday concerning the question as to who is included in the determination of 220 ES employees triggering the additional monthly contribution.

During the negotiations leading to the settlement on May 5th, the BMWÉ raised a concern about the Employment Security Fund being viable with a lump sum contribution of \$7,500,000 and an ongoing monthly contribution equal to 2% of BMWÉ gross payroll if the number of employees on ES increased substantially. In determining the appropriate size of the ES Fund, the parties made what were considered reasonable assumptions regarding the potential number of employees on ES, severance, bridging and early retirements as well as work opportunities. However, the parties recognized that the future health of the Company and the actions of ES employees could not be predicted with certainty. As such, it was agreed that a further monthly contribution would be made by the Company in each month where the number of BMWÉ represented ES employees exceeded 220.

In this regard, the Union raised a specific concern as to who would be included as an ES employee in determining the trigger of 220. Given that the purpose of the additional contribution was to ensure the viability of the ES Fund, a BMWÉ represented employee, who secures a permanent position within CP Rail and is not receiving a top-up from the ES Fund, would not be considered as an ES employee for the purpose of determining the 220 trigger.

Conversely, an employee on ES, working a temporary position within CP Rail or working outside of CP Rail pursuant to the requirements of Article 7 of the Job Security Agreement, would be considered as an ES employee for the purpose of determining the 220 trigger.

Yours truly,



Director, Labour Relations

This ~~Extended Health~~ and Vision Care Plan Agreement made the ~~30~~ day of ~~JUNE,~~ ~~1989,~~ ~~cancel~~s and supersedes for the Unions signatory hereto as specified in Appendix "B" to this Agreement? the ~~Extended Health and Vision Care Plan Agreement~~ dated ~~December 10, 1985,~~ between Canadian Pacific Limited and ~~the~~ Unions signatory thereto,

BETWEEN

CANADIAN PACIFIC LIMITED

(hereinafter called the "Company")

of the First Part

FIND

ASSOCIATED NON-OPERATING RAILWAY UNIONS

(hereinafter called the "Unions")

of the Second Part.

ARTICLE - DEFINITIONS

In this Agreement :

The terms used herein shall have the meanings as hereinafter provided and the words implying the **masculine** gender include the feminine:

- (a) "Admitted Employees" is a group of employees which has been admitted to coverage pursuant to Article VIII.1(d);
- (b) "Canadian Pacific Limited" includes those subsidiary and jointly owned companies for which and on whose behalf Canadian Pacific Limited executed the Master Agreement;
- (c) "Committee" means the Extended Health and Vision Care Plan Administrative Committee appointed pursuant to Article VII;
- (d) - "Dependent (s)" means:
 - (i) the **Eligible** Spouse of an Eligible Employee;
 - (ii) any unemployed dependent children, stepchildren or adopted children ~~of an~~ Eligible Employee:
 - A) under the age of **21** residing with such Eligible Employee ~~or~~ the Eligible Spouse of such Eligible Employee, or
 - B) under age twenty-five if registered as a **full-time** College or University Student, or

A R T I C L E DEFINITIONS (Cont'd)

C) of any age if handicapped and solely dependent upon such Eligible Employee,

but,

(iii) excludes; any person who is covered under this Extended Health and Vision & Care Plan as an Eligible Employee:

- (e) "Extended Health and Vision Care Plan" means the benefits and the terms and conditions relating thereto as agreed to for the employees of a Railway and its Dependents as herein defined, which benefits, terms and conditions appear in this Agreement and in Appendix "A" attached;
- (f) "Eligible Employee(s)" means an employee of a Railway who is eligible for benefits pursuant to the eligibility requirements of Article III;
- (g) "Eligible Spouse" means the person who is legally married to the Eligible Employee and who is residing with or supported by the Eligible Employee provided that, if there is no legally married spouse that is eligible, it means the person that qualifies as a spouse under the definition of that word in Section 2(1) of the Canadian Human Rights Benefit Regulations, as long as such person is residing with the Eligible Employee;
- (h) "Master Agreement" means the Master Agreement signed between the Company and the Unions on April 21st, 1989;

A list of the individual collective agreements covered by the above agreement is attached hereto as Appendix "B".

- (i) "Railways" means Canadian Pacific Limited and its subsidiaries, joint properties listed in the Master Agreement, and also includes an employer associated therewith, a group of whose employees has been admitted as provided by Article VIII.1(c). For the purpose of this agreement, the Algoma Central Railway is included herein;
- (j) "Organization" means the institution which is responsible for the daily administration and operation of the Extended Health and Vision Care Plan.

ARTICLE II - PAYMENTS

1. The cost of the Extended Health and Vision Care Plan will be borne by the Company pursuant to the Master Agreement.
2. In respect of Admitted Employees, the cost of the Extended Wealth and Vision Care Plan will be borne in accordance with the collective agreements covering such Admitted Employees. (The cost will be as determined by the Service Organization prior to each calendar year.)

13a3
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13a8
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109%

ARTICLE II I - ELIGIBLE EMPLOYEE

1. An employee and his dependents shall become eligible for benefits under the Extended Health and Vision Care Plan on the first day of the calendar month next following the date on which he completes twelve months of Service.
2. If an employee is not actively at work on the date he would have become an Eligible Employee pursuant to Article III.1 hereof, such employee shall become an Eligible Employee on the first day thereafter that he is actively at work.
3. For the purposes of this Section, an employee who has Service for a regular or partial eight-hour shift for 252 days will be deemed to have completed twelve months of Service, and with respect to employees covered by spare board provisions? days worked and/or available will be deemed to be days of Service.
4. Except as provided in Articles III.6 and III.7 hereof, an employee who has become an Eligible Employee shall be considered an Eligible Employee in each month in which he has Service, and until he ceases to be an Eligible Employee pursuant to Article V hereof.
5. An employee who has ceased to be an Eligible Employee pursuant to Article V hereof:
 - (a) by reason of being laid-off shall become an Eligible Employee on the first day of the month in which he returns to active work;
 - (b) by reason of being on leave of absence, on strike or dismissed and subsequently reinstated shall become an Eligible Employee on the date of his return to active work.
6. An Eligible Employee who is on a leave of absence for disability or pregnancy and in receipt of weekly indemnity benefits, unemployment insurance disability/maternity benefits or workers' compensation benefits may at his option and notwithstanding Article V hereof, continue to be an Eligible Employee for a period of 6 months after the termination date therein specified upon remitting monthly to his Employer an amount equal to the estimated cost of the Plan as determined by the Service Organization.
7. An Eligible Employee whose coverage is terminated pursuant to Article V.1(c) of the Extended Health and Vision Care Plan Agreement may at his option and notwithstanding Article V hereof, continue coverage for a period of twelve months following the end of the month in which such leave of absence or lay-off commences upon remitting monthly to his Employer an amount equal to the estimated cost of the Plan as determined by the Service Organization.

ARTICLE III - ELIGIBLE EMPLOYEE (Cont'd)

8. If the disability of an Eligible Employee terminates and the said Eligible Employee again becomes disabled due to the same or related cause or **causes**, the subsequent disability will be considered a continuation of the previous disability for the purposes of Articles **V.1(b)** and **Article III.6** hereof unless
 - (a) the said Eligible Employee had completely recovered from the previous disability and had been at **work** with the **Railway** as required by such Railway for a period of at least **two** consecutive **weeks** after termination of the previous **disability**, or
 - (b) the said Eligible Employee, though not completely recovered from the previous disability, had been at work with the **Railway** as required by such Railway for a period of at least **four** consecutive **weeks** after termination of the previous disability.

9. Notwithstanding the provisions of this Article and subject to Article **VIII.1(c)(ii)**, all **those** individuals who would, but for their full-time employment as officers of Unions representing bargaining units covered by this Plan) be full-time employees with one of the **Railways** may be admitted to coverage under this plan. **Such** individuals shall pay direct to the Company the appropriate amount to secure coverage under this plan.

ARTICLE IV - EXTENDED HEALTH AND VISION CARE BENEFITS

1. The Extended Health and Vision Care Plan shall provide for semi-private hospital, major medical, nursing home care and vision care coverage for Eligible Employees and Dependents (such coverage hereinafter referred to as "Extended Health and Vision Care Benefits").
2. Extended Health and Vision Care Benefits shall be payable in respect of expenses or charges incurred by Eligible Employees and Dependents and in respect of
 - (a) covered expenses for semi-private room accommodation described in Appendix "A" for an unlimited number of days, and
 - (b) expenses for major medical benefits specified in Appendix "A".
 - (c) covered expenses for convalescent hospital care as set out in Appendix "A", and
 - (d) covered expenses for vision care as set out in Appendix "A".
3. Extended Health and Vision Care Benefits payable to the Eligible Employee under the Extended Health and Vision Care Plan shall be the full cost of the expenses described in Article IV.2(a) and 80% of the expenses, described in Article IV.2(b), (c) and (d) in excess of an annual deductible amount of \$25.00 and shall be calculated in accordance with the provisions of Appendix "A".

ARTICLE V - TERMINATION OF COVERAGE

1. An employee who has become an Eligible Employee pursuant to Article III hereof shall cease to be an Eligible Employee on the earliest of the following termination dates:
 - (a) the date the employee's employment with his Employer terminates upon his resignation or dismissal,
 - (b) the last day of the month in which the employee retires in accordance with his Employer's pension rules,
 - (c) the last day of the month of the employee's lay-off or leave of absence for reasons other than disability or pregnancy,
 - (d) the last day of the month of the employee's death,
 - (e) the last day worked prior to a strike in which the employee ceases to work,
 - (f) subject to the provisions of Articles III .7 and III.8 hereof, the date which is six months after the end of the month in which the employee's leave of absence due to disability or pregnancy commenced, provided that the said employee is in receipt of weekly indemnity benefits, unemployment insurance disability/ maternity benefits, or worker's compensation benefits,
 - (g) the date of termination of this EH&VC Plan, or
 - (h) the last day of the month in which the employee is transferred to a position to which this EH&VC Plan does not apply.
2. A Dependent shall cease to be a Dependent on the date the employee in relation to whom he is a Dependent ceases to be an Eligible Employee or on the date the said Dependent ceases to qualify under the definition of Dependent.

ARTICLE VI -- SUBMISSION OF CLAIMS

1. An Eligible Employee shall be responsible for the completion of the claim forms and shall furnish proof of expenses incurred as shall be deemed necessary and appropriate by the Service Organization.
2. Any employee who is denied all or any part of a claim for reimbursement by the Service organization shall receive from the Service Organisation a notice in writing setting forth the specific reasons for such denial, specific reference to the Extended Health and Vision Care Plan's provisions on which the denial is based, a description of any additional material necessary for the employee to support the claim, and explanations both as to why such material is necessary and as to the terms of the Extended Health and Vision Care Plan's claims review procedure, all written in a manner calculated to be understood by such employee whose claim has been denied.
3. Any employee whose claim has been denied by the Service Organization may submit, within sixty days after such denial, information and materials in support of the claim to the Service Organization's claims review section. Within sixty days of receiving such submission, the claims review section shall review it and make a determination. This determination shall, subject to Article VI.5, be final, in writing, include specific reasons for the decision and specific reference to the Extended Health and Vision Care Plan provisions on which it is based; and be written in a manner calculated to be understood by the employee. In connection with any such review, the employee will be permitted to examine pertinent documents and to submit issues and comments in writing.
4. A claim denied by the Service Organization will not be subject to review by the Committee unless the claim was denied on the basis of the eligibility provisions of Article III.
5. In the event that a dispute arises in respect of a claim which was denied on the basis of the eligibility provisions of Article III the employee shall, first submit such disputed claim to his immediate supervisor. In the event that the dispute is not resolved at that point, the employee may require that it be submitted to the Committee for review, in which case both the designated officers of the Railway and unions concerned will submit all relevant information. Such request must be made within sixty days of the date that the claim is denied by the immediate supervisor.

ARTICLE VI.1 - ADMINISTRATIVE COMMITTEE

1. The **Committee shall consist** of **eight** members, **four** of whom shall be appointed by the Unions and four by the Company.
2. The members of the Committee shall be appointed on or before April 21, 1989 for the period from that date until **December 31, 1989**, and yearly thereafter and shall hold office until the 31st of December in the year for which they are appointed or until their respective **successors** have been appointed. At the same time and in the same manner a like number of substitutes shall also be named. Should a vacancy occur on the Committee, whether temporary or otherwise, the vacancy shall be filled by a person chosen by the party who appointed the original member. The Unions and the Company shall notify each other in writing of the names of their appointees and substitutes to the Committee within five days of the date of appointment. Such notice shall be given by, and delivered to the following, or **persons authorized** to act on their behalf:

On behalf of the Unions:

Chairman, Negotiating Committee
Associated Non-operating Railway Unions

On behalf of the Company:

Assistant Vice-President
Industrial Relations
CP Rail
3. Five members of the Committee shall be a quorum.
4. The members of the committee shall select, from their own number, two Co-chairmen, one from the Unions and one from the Company, who shall hold office until the 31st day of **December** of the year for which they are selected, or until such earlier date as may be fixed by the Committee, or until their **respective successors** have been selected.
5. Each member of the Committee present at a meeting shall have the right to cast one vote on (each) question. **Decisions** of the Committee shall be carried by five or more votes, except as provided in Article VII.7, and shall be final and binding.
6. In the event that the Committee is unable to reach a decision on any question within its jurisdiction, any four members of the Committee may require the question to be referred to a referee. If the Committee is unable to reach a decision on the selection of a referee, it shall apply to the Minister of Labour for Canada for appointment of a referee.

ARTICLE. I.- ADMINISTRATIVE COMMITTEE (Cont'd)

7. **When a matter has been referred to a referee as provided in Article VII.6, the referee shall, in respect of that question, have all the powers of the Committee as set out in Article VIII. The referee shall have no power to add to, subtract from, or modify any of the terms of this Agreement. The decision of the referee shall be final and binding.**
8. The Committee shall meet from time to time as it may determine. Subject to the wishes of the Committee, the Co-chairmen shall alternate in presiding over successive meetings,

ARTICLE .J.I - POWERS AND DUTIES OF THE COMMITTEE:

1. Except as otherwise provided herein, the **power5 and** duties of the Committee shall be:

6eb

(a) to meet with the Service Organization as may be necessary to discuss the overall operations of the Extended Health and Vision Care Plan::

(b) to review general communications to employees with respect to the Extended Health and Vision Care Plan:

(c) to admit to coverage under the Extended Health and Vision Care Plan:

(i) any applicant bargaining unit that has a collective agreement with a Railway, and

(ii) any individual who has an employment relationship with a Railway and **who** does not qualify to be an Eligible Employee as defined herein, such individual being deemed to be an Admitted Employee,

subject to such conditions as may be determined from time to time by the Committee and with the concurrence to such admission of the Service Organization. Any admitted group or individual can only be admitted under the same terms and conditions as are applicable to Eligible Employees:

(d) to cancel the coverage or modify the conditions, or any part thereof, that may have been extended in accordance with Article VIII.1(c)}

(e) to employ Staff and consultants and to undertake such expenditures as it may deem necessary for the administration of the Extended Health and Vision Care Plan:

(f) to review and determine all requests for review submitted to it pursuant to Article VI .5.

2. The Committee shall at all times and in all respects *be* subject to instructions and directions from the Company and Unions or their successors.

3. No act or decision taken by the Committee or any member thereof shall have the effect of adding to, subtracting from, or modifying the terms of this Agreement.

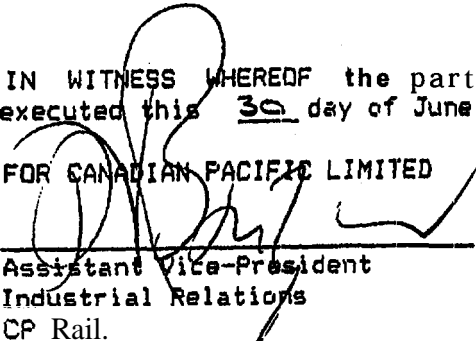
ARTICLE IX - ENTIRE AGREEMENT

This Agreement and the Appendices shall remain in effect until December 31, 1991, and thereafter until revised in the manner and at the time provided for in respect of the Master Agreements which are current from time to time.


This Agreement and the Appendices "A", "B" and "C" attached hereto shall form the entire agreement between the parties hereto and in the event of any inconsistency between this Agreement and Appendix "A", the provisions of Appendix "A" shall prevail .


IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed this 30 day of June, 1989, at Montreal, Quebec.

FOR CANADIAN PACIFIC LIMITED

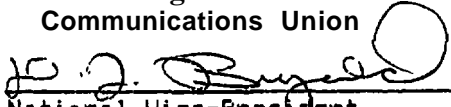

Assistant Vice-President
Industrial Relations
CP Rail.

FOR THE UNIONS:


Chairman, Negotiating Committee
Associated Non-Operating Railway
Unions


Vice-President
Brotherhood of Maintenance of
Way Employees


National President
Canadian Signal and
Communications Union


National Vice-President
Transportation-Communications
International Union


System General Chairman
Rail Canada Traffic Controllers

for

APPENDIX "A" TO THE EXTENDED HEALTH AND VISION CARE PLAN
AGREEMENT FOR THE EMPLOYEES OF CANADIAN PACIFIC
REPRESENTED BY THE ASSOCIATED NON-OPERATING UNIONS

SECTION 1 - DEFINITIONS

1. The terms used herein shall have the meanings as hereinafter provided and words implying the masculine gender include the feminine.
2. "benefit Year " means a twelve month period from January 1 until the next following December 31.
3. "Benefit Year Deductible" means the sum of the Eligible Expenses equal to the deductible amount specified in Section 4 hereof.
4. "Close Relative" means the Eligible Spouse of the Eligible Employee, or the child, parent, brother or sister of the Eligible Employee or of his Eligible Spouse.
5. "Co-Insurance Percentage" means that portion of Eligible Expenses in excess of the Benefit Year Deductible specified in Section 4 hereof.
6. "Company" means Canadian Pacific Limited.
7. "Contractholder" means Canadian Pacific Limited.
8. "Deemed Date of Incurral" means that any expenses or charge for Eligible Expenses shall be deemed incurred
 - (a) by the person receiving the Medical Care for which the charge is made, and
 - (b) on the date such Medical Care is received.
9. "Dental Care" means any treatment, operation, procedure or service which is accepted as or defined as dentistry by the licensing body, agency, authority, laws or regulations governing the practice of dentistry within the country, state, province or territory where such care is supplied or performed by a Dentist.
10. "Dentist" means a person who is currently licensed to practice dentistry by a governmental authority having jurisdiction over the licensing and practicing of dentistry, and who is operating within the scope of his license.
11. "Dependent (s) " means:
 - (a) the Eligible Spouse of an Eligible Employee:

(b) any unemployed dependent children, **stepchildren** or **adopted** children of an Eligible Employee:

(i) under the age of **21** residing **with** such Eligible Employee or the Eligible **Spouse of** such Eligible Employee, or

(ii) under age twenty-five if registered as a full-time College or University **Student**, or

(iii) of any age if handicapped and **solely** dependent upon such Eligible **Employee**,

but,

(c) excludes any person who is covered under this Extended Health and Vision Care Plan as an Eligible Employee;

12. "Doctor" means a **qualified** physician or surgeon **duly** licensed to practice medicine and includes persons legally **authorized** to treat patients with drugs and issue drug prescriptions.
13. "Effective Date" means June , 1989.
14. "EH&VC Plan" means the Extended Health and Vision Care Plan described herein.
15. "Eligible **Employee(s)**" shall be as defined in Section **2** hereof.
16. "Eligible Expenses" means those charges and expenses incurred for Medical Care **specified** in Sections **5** to **7** hereof.
17. "Eligible **Spouse**" means the person who **is** legally married to the Eligible Employee and who **is** residing with or supported by the Eligible Employee, provided that, if there is no legally married spouse that **is** eligible, it means the person that qualifies as a spouse under the definition of that word in Section **2(1)** of the Canadian Human Rights **Benefit Regulations**, as long as such person is residing with the Eligible Employee.
18. "Employer" means a Railway as defined herein.
19. "Extended Health and Vision Care **Benefits**" means the amounts to which an Eligible Employee or a **Dependent**; **is** entitled pursuant to Section **4** hereof.
20. "Extended Health and Vision Care Plan Agreement" shall mean the agreement entered into between the Company and the Unions on the **day** of June, 1989 in respect of Extended Health and Vision Care Benefits.

SECTION 1. - DEFINITIONS (Cont'd)

21. "Hospital" means a legally operated institution which
- (a) is primarily engaged in providing, for compensation from its patients, medical, diagnostic and surgical facilities for the care and treatment of sick and injured persons on an in-patient basis, and
 - (b) provides such facilities under the supervision of a staff of Doctors with a 24-hour a day nursing service by registered nurses, and
 - (c) is not principally a home for the aged, rest home, nursing home or a place for the care and treatment of drug addicts or alcoholics.
22. "Illness" means bodily injury, sickness, disease, or mental infirmity, and for the purposes of this definition includes Pregnancy.
23. "Maximum Lifetime Benefit" means the maximum sum of Extended Health and Vision Care benefits specified in Section 4 hereof.
24. "Medical Care" means those services provided and drugs or supplies prescribed, ordered or applied by a Doctor or Dentist in the treatment of an illness pursuant to Section 6 hereof,
25. "Pregnancy" means pregnancy, childbirth, miscarriage, abortion and conditions which result directly or indirectly from any of these.
26. "Railway" means Canadian Pacific Limited and its subsidiaries, joint properties listed in the Master Agreement, and also includes an employer associated therewith, a group of whose employees has been admitted as provided by Article VIII.1(c) of the Extended Health Care Plan Agreement. For the purpose of this Agreement, Algoma Central Railway is included herein.
27. "Reasonable and Customary Charges" means charges for services and supplies of the level usually furnished for cases of the nature and severity of the case being treated and which are in accordance with representative fees and prices in the area in which the service is performed.
28. "Service" means compensated employment with the Employer.
29. "Service Organization" means the institution which is responsible for the daily administration and operation of the Extended Health and Vision Care Plan.

SECTION 2 - ELIGIBLE EMPLOYEE

1. An employee and his dependents shall become eligible for benefits under the Extended Health and Vision Care Plan on the first day of the calendar month next following the date on which he completes twelve months of Service.
2. If an employee is not actively at work on the date he would have become an Eligible Employee pursuant to Section 2.1 hereof, such employee shall become an Eligible Employee on the first day thereafter that he is actively at work.
3. For the purposes of this Section, an employee who has Service for a regular or partial eight-hour shift for 252 days will be deemed to have completed twelve months of Service, and with respect to employees covered by spare board provisions, days worked and/or available will be deemed to be days of Service.
4. Except as provided in Sections 2.6 and 2.7 hereof, an employee who has become an Eligible Employee shall be considered an Eligible Employee in each month in which he has Service, and until he ceases to be an Eligible Employee pursuant to Section 3 hereof.
5. An employee who has ceased to be an Eligible Employee pursuant to Section 3 hereof:
 - (a) by reason of being laid-off shall become an Eligible Employee on the first day of the month in which he returns to active work;
 - (b) by reason of being on leave of absence, on strike or dismissed and subsequently reinstated shall become an Eligible Employee on the date of his return to active work.
6. An Eligible Employee who is on a leave of absence for disability or pregnancy and in receipt of weekly indemnity benefits, unemployment insurance disability/maternity benefits or workers compensation benefits may at his option and notwithstanding Section 3 hereof, continue to be an Eligible Employee for a period of 6 months after the termination date therein specified upon remitting monthly to his Employer an amount equal to the estimated cost of the Plan as determined by the Service Organization.
7. An Eligible Employee whose coverage is terminated due to layoff or leave of absence for reasons other than disability or pregnancy may at his option and notwithstanding Section 3 hereof, continue coverage for a period of twelve months following the end of the month in which such leave of absence or lay-off commences upon remitting monthly to his Employer an amount equal to the estimated cost of the Plan as determined by the Service Organization.

SECTION 2 - ELIGIBLE EMPLOYEES (Cont'd)

8. If the disability of an Eligible Employee terminates and the said Eligible Employee again becomes disabled due to the same or related cause or causes, the subsequent disability will be considered a continuation of the previous disability for the purposes of Sections 3.1(f) and Section 2.6 hereof unless
- (a) the said Eligible Employee had completely recovered from the previous disability and had been at work with the Railway as required by such Railway for a period of at least two consecutive weeks after termination of the previous disability, or
 - (b) the said Eligible Employees though not completely recovered from the previous disability, had been at work with the Railway as required by such Railway for a period of at least four consecutive weeks after termination of the previous disability.
9. Notwithstanding the provisions of this Article and subject to Article VIII.1(c)(ii) of the Extended Health and Vision Care Plan Agreement, all those individuals who would, but for their full-time employment as officers of Unions representing bargaining units covered by this Plan, be full-time employees with one of the Railways may be admitted to coverage under this plan. Such individuals shall pay direct to the Company the appropriate amount to secure coverage under this plan.

SECTION 3 - TERMINATION OF COVERAGE

1. An employee who has become an Eligible Employee pursuant to Section 2 hereof shall cease to be an Eligible Employee on the earliest of the following termination dates:
 - (a) the date the employee's employment with his Employer terminates upon his resignation or dismissal,
 - (b) the last day of the month in which the employee retires in accordance with his Employer's pension rules,
 - (c) the last day of the month of the employee's lay-off or leave of absence for reasons other than disability or pregnancy,
 - (d) the last day of the month of the employee's death,
 - (e) the last day worked prior to a strike in which the employee ceases to work,
 - (f) subject to the provisions of Sections 2.7 and 2.8 hereof, the date which is six months, after the end of the month in which the employee's leave of absence due to disability or pregnancy commenced, provided that the said employee is in receipt of weekly indemnity benefits, unemployment insurance disability or maternity benefits, or workers' compensation benefits,
 - (g) the date of termination of this EH&VC Plan, or
 - (h) the last day of the month in which the employee is transferred to a position to which this EH&VC Plan does not apply,
2. A Dependent shall cease to be a Dependent on the date the employee in relation to whom he is a Dependent ceases to be an Eligible Employee or on the date the said Dependent ceases to qualify under the definition of Dependent.

SECTION A - EXTENDED HEALTH AND VISION CARE BENEFITS

1. Extended Health and Vision Care Benefits payable to Eligible Employees under the EH&VC Plan shall be the Co-Insurance Percentage of the Eligible Expenses incurred by Eligible Employees and Dependents in excess of the Benefit Year Deductible but not in excess of the Maximum Lifetime benefit herein specified.
2. Subject to Section 4.5 hereof, the Benefit Year Deductible shall be \$25, and in each Benefit Year shall be applied against the total Eligible Expenses of an Eligible Employee and his Dependents incurred in that Benefit Year. Each Eligible Expense is allocated to a Benefit Year according to the Deemed Date of Incurrence.
3. The CO-Insurance Percentage shall be 80%.
4. The Maximum Lifetime Benefit is \$30,000 per person for Eligible Employees and Dependents. Effective January 1, 1990, the Maximum Lifetime Benefit is to be increased to \$32,000 per person for Eligible Employees and Dependents.
5. The Benefit Year Deductible, Co-Insurance Percentage and Maximum Lifetime Benefit shall not be applicable to the Eligible Expenses specified in Section 5 hereof.

SECTION 5 - ELIGIBLE EXPENSES - SEMI-PRIVATE HOSPITAL BENEFIT

1. Subject to Section 7 hereof, Eligible Expenses shall be charges, in the province or territory of residence of the Eligible Employee, for the treatment of an illness:
 - (a) up to the Hospital's average semi-private rate for room and board (including, where permitted by law, any admittance, coinsurance or utilization charges) in a Hospital, and
 - (b) for Hospital out-patient services;

ELIGIBLE EXPENSES - MAJL 1 4 1977

1. Subject to Section 7 hereof) Eligible Expenses shall be charges for Medical Care as described in Sections 6.2, 6.3, 6.4, 6.5 and 6.6 hereof.
2. Eligible Expenses shall include:
 - (a) Charges, in Canada but outside the province or territory of residence of the Eligible Employee, for emergency treatment of an Illness while outside such province or territory, up to 180 days of confinement, and
 - (i) up to the Hospital's semi-private rate for room and board (including, where permitted by law, any admittance, coinsurance or utilization charge;) in a Hospital, and
 - (ii) for Hospital out-patient services.
 - (b) Charges outside Canada for emergency treatment of an Illness contracted while outside Canada, up to 180 days of confinement, and
 - (i) up to the Hospital's semi-private rate for room and board (including) where permitted by law, any admittance charges) in a Hospital,
 - (ii) for other Hospital services, and
 - (iii) for Hospital out-patient services.
3. Eligible Expenses shall include:
 - (a) Charges for drugs, sera, injectibles and medicines which require the prescription of a Doctor or a Dentist to the extent that such drugs, sera, injectibles and medicines are generally recognized as being effective in the treatment of the Illness and are not excessive or unwarranted as judged by the generally accepted therapy for the Illness.
 - (b) Charges for oral contraceptives prescribed by a Doctor,
 - (c) Charges for supplies required as a result of a colostomy and/or for the treatment of cystic fibrosis, diabetes and parkinsonism.
4. Eligible Expenses shall include:
 - (a) Charges for use of a licensed ambulance for local transportation? including inter-hospital transfers, of Eligible Employees or Dependent! to and from the nearest Hospital qualified to render the Medical Care, as well as charges for the transportation of Eligible Employees or Dependent!; for necessary emergency care to the nearest

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SECTION 6 - ELIGIBLE EXPENSES -- MAJOR MEDICAL BENEFIT (Cont'd)

Hospital qualified to render such care by a licensed air ambulance service or any other vehicle normally used for public transportation.

- (b) Charges; for the services of a Doctor for emergency treatment of an **Illness** contracted **while** outside the province or territory of residence of the Eligible Employee, but excluding any portion of the charge **in excess** of the Reasonable and Customary Charges for an **illness** of the **same** nature and gravity in the locality where the **service is** provided.
- (c) Charges; for the services of a private **duty** registered nurse **or** a registered nursing assistant (other than a Close Relative) but excluding any portion of the charge **in excess** of the Reasonable and Customary Charges for an **Illness** of the **same** nature and gravity in the locality where the service is provided.
- (d) Charges for laboratory **tests** done in a commercial laboratory for diagnosis of an **Illness** but excluding any **tests** performed in a drug store.
- (e) Charges for **services** of a Dentist including charges for braces or splints required for the repair or alleviation of damage to natural teeth of Eligible Employees or dependents **resulting** from an accident which **occurs** while the Eligible Employee is covered under the EH&VC Plan and provided the services are received within **six months** after the date of the accident,
- (f) Charges for:
 - (i). wheel chair, hospital bed, iron lung or other **equipment** rented, or purchased at the option of the Service **Organization, for** therapeutic use;
 - (ii) **casts, splints,** trusses, braces, and crutches: and
 - (iii) artificial **limbs** and **eyes,** including replacement when medically **necessary.**
- (g) Charges for diagnostic and X-Ray services, oxygen, plasma and blood **transfusions** and **rental** of equipment for administration thereof.
- (h) Charges for services of a licensed physiotherapist (other than a Close Relative).

SECTION 6 - ELIGIBLE EXPENSES - MAJOR MEDICAL BENEFIT (Cont'd)

5. Eligible Expenses shall include:

- (a) Reasonable and Customary Charges for elastic support stockings prescribed by a Doctor up to \$50 per person for Eligible Employees and Dependents in any Benefit Year.
- (b) Reasonable and Customary Charges for orthopaedic shoes prescribed by a Doctor up to a maximum of one pair per person for Eligible Employees and Dependents in any Benefit Year.

6. Eligible Expenses shall include:

- (a) Charges for mammary prostheses required as a result of surgery when ordered or provided by a doctor up to a maximum of \$200 in any Benefit Year for each eligible employee or dependent.
- (b) Charges for confinement in a convalescent hospital in the province or territory of residence of the Eligible Employee when ordered by a doctor, provided
 - (i) it is preceded by at least five consecutive days of hospital confinement,
 - (ii) it commences within 14 days after termination of the person's confinement in a hospital, and
 - (iii) it is for rehabilitation and not primarily for custodial care.

The maximum amount payable will be \$20 per day for each period of disability for a maximum of 120 days of confinement.

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- (c) Chargee for hearing aids not covered by Workers' Compensation up to a maximum of \$250 per employee in any five consecutive years.
 - (d) Charges for contact lenses or lenses (including shatterproof lenses) and frames for eyeglasses (including sunglasses), and their replacement provided there is an actual need for a change in their magnifying strength. Any device worn for the purpose of eye protection only and not for vision correction is excluded. Supplies must be prescribed in writing by an ophthalmologist, or a licensed optometrist and must be dispensed by an ophthalmologist, a licensed optometrist or a qualified optician. The maximum amount payable will be \$100 once in any 12 month period for persons under age 18 and once in any 24 month period for persons age 18 and over.
 - (e) Charges for services of an ophthalmologist or a licensed optometrist. The maximum amount payable in any two consecutive Benefit Years will be \$25 for each person.

S E C T EXCLUSIONS 7

1. Payment will not be made under the EH&VC Plan for expenses or charges incurred for any of the following:
 - (a) Services or supplies not included in the definition of Eligible Expenses.
 - (b) Services or supplies which are paid for in whole or in part under the provisions of the Hospital, Medicare, Pharmacare, and/or Denticare plan or any similar government plan in the province or territory of residence of the Eligible Employee except to the extent that such provisions permit payment for expenses in excess of those for which such Eligible Employee is entitled under such provisions. Reimbursement will be limited to the excess over services and supplies which would have been payable under the terms and conditions of the Government Plan at December 9, 1982.
 - (c) Orthopaedic mattresses, exercise equipment, air-conditioning or air-purifying equipment and whirlpools.
 - (d) Any portion of the charge for services in excess of the Reasonable and Customary Charge for an illness of the same nature and severity in the locality where the service is provided,
 - (e) An Illness due to or resulting from:
 - (i) any cause for which indemnity or compensation is provided under any Workers' Compensation law or similar legislation, or
 - (ii) bodily injury sustained while doing any act or thing pertaining to any occupation or employment for wage or profit, other than for the Employer,
 - (f) Vitamins, proprietary or patent medicines, or drugs which can be obtained without the written prescription of a Doctor or Dentist except as provided in Section 6 hereof.
 - (g) Expenses while the employee is not an Eligible Employee,

SECTION 8 - CLAIMS REVIEW

1. An Eligible Employee shall be responsible for the completion of the claim forms and shall furnish proof of Eligible Expenses Incurred as shall be deemed necessary and appropriate by the Service Organization.
2. Any employee who is denied all or any part of a claim for reimbursement by the Service Organization shall receive from the Service Organisation a notice in writing setting forth the specific reasons for such denial, specific reference to the EH&VC Plan's provisions on which the denial is based, a description of any additional material necessary for such employee to support the claim, and explanations both as to why such material is necessary and as to the terms of the EH&VC Plan's claims review procedure, all written in a manner calculated to be understood by such employee whose claim has been denied.
3. Any employee whose claim has been denied in whole or in part by the Service Organization may submit, within sixty days after such denial, information and materials, in support of the claim to the Service Organization's claims review section.
4. Within sixty days of receiving the employee's submission, the Service Organization's claims review section shall review the claim and make a determination and such determination shall, subject to Article VI.5 of the Extended Health and Vision Care Plan Agreement, be final, in writing, include specific reasons for the decision and specific reference to the EH&VC Plan provisions on which it is based written in a manner calculated to be understood by the employee. In connection with any such review, the employee will be permitted to examine pertinent documents and to submit issues and comments in writing.
5. Any claim denied on the basis of the eligibility provisions of Section 2 hereof shall be subject to the provisions of Article VI.5 of the Extended Health and Vision Care Plan Agreement.

SECTION 9 - GENERAL PROVISIONS

1. Extended Health and Vision Care Benefits are payable directly to the Eligible Employee unless he otherwise directs by written notice filed with the Service Organization! provided that any such notice shall be effective as of the date it was signed and shall not prejudice the Service Organization on account of any payment made or any action taken by the Service Organization before it was filed.
2. If the Eligible Employee is physically or mentally Incapable of giving a valid discharge for Extended Health and Vision Care Benefits due to him or if any Eligible Employee dies while any such Extended Health and Vision Care Benefits due to him remain unpaid, the Service Organization may, at its option, make payment up to an amount not exceeding \$5,000.00, to any person entitled to give a valid discharge of such payment on behalf of the Eligible Employee or his estate; provided that the Service Organization is under no obligation to see to the application of any monies so paid and that payment to any such person or institution will constitute a complete discharge to the Service Organization to the extent of the amount of such payment.
3. Extended Health and Vision Care Benefits shall be paid in lawful Canadian currency immediately upon receipt of the proof of claim required by the Service Organization.
4. Written notice and proof of , a claim must be given to the Service Organization within ninety days after the end of the Benefit Year for which the claim is made, or as soon thereafter as is reasonably passible and in any event not later than 12 months following the end of the Benefit Year in which the Eligible Expenses claimed were incurred.
5. The Service Organization shall have the right, and shall be given the opportunity, to have Doctors designated by it examine any Eligible Employee or Dependent in respect of whom a claim is being made as often as may be reasonably required and any such examination shall be at the expense of the Service Organization.

SECTION 10 - COORDINATION OF BENEFITS

1. Definitions.

In this Section,

- (a) "Plan(s)" means any plan providing benefits or services for or by reason of Dental or Medical Care or treatment, under (i) group, or blanket insurance coverage, (ii) service type group plans, or other group prepayment coverage, (iii) any coverage under labor-management trustee plans, union welfare plans, employer organization plans, or employee benefit organization plans, and (iv) any coverage under governmental programs, or required or provided by any statute (including an automobile no fault law), but not including any plan arranged by and paid for by the Employee on an individual basis, and the term "Plan" will be construed separately with respect to each policy, contract, or other arrangement for benefits or services and separately with respect to that portion of any such policy, contract, or other arrangement which reserves the right to take the benefits or services of other Plans into consideration in determining its benefits and that portion which does not; and
- (b) "Allowable Expense" means any Eligible Expense at least a portion of which is covered under at least one of the Plans covering the person for whom claim is made and when a Plan provides benefits in the form of services rather than cash payments, the reasonable cash value of each service rendered will be deemed to be both an Allowable Expense and a benefit paid.

2. Effect on Benefits.

- (a) This Section 10 will apply in determining the benefits in respect of a person covered under the EH&VC Plan for any Benefit Year if, for the Allowable Expenses incurred as to such person during such Benefit Year, the sum of the following would exceed such Allowable Expenses:
 - (i) the benefits that would be payable under the EH&VC Plan in the absence of this Section 10, and
 - (ii) the benefits that would be payable under all other Plans in the absence therein of provisions of similar purpose to this Section 10.
- (b) As to any Benefit Year with respect to which this Section 10 is applicable, the benefits that would be payable under the EH&VC Plan in the absence of this Section 10 for the Allowable Expenses incurred as to such person during such Benefit Year will be reduced to the extent necessary so that the sum of such reduced benefits and all the benefits payable for such Allowable Expenses under all

SECTION 10 - COORDINATION OF BENEFITS (Cont'd)

other Plans, except as provided in paragraph 2.3 of this Section 10.2, will not exceed the total of such Allowable Expenses. Benefits payable under another Plan include the benefits that would have been payable had claim been duly made therefor.

- (c) If another Plan which is involved in paragraph 2.2 of this Section 10.2 and which contains a provision coordinating its benefits with those of the EH&VC Plan would, according to its rules, determine its benefits after the benefits of the EH&VC Plan have been determined, and if the rules set forth in paragraph 2.4 of this Section 10.2 would require the EH&VC Plan to determine its benefits before such other Plan, then the benefits of such other Plan will be ignored for the purposes of determining the benefits under the EH&VC Plan.
- (d) For the purposes of paragraph 2.3 of this Section 10.2, the rules establishing the order of benefit determination are
 - (i) the benefits of a Plan which covers the person on whose expenses claim is based other than as a dependent will be determined before the benefits of a Plan which covers such person as a dependent;
 - (ii) the benefits of a Plan which covers the person on whose expenses claim is based as a dependent of a male person will be determined before the benefits of a Plan which covers such person as a dependent of a female person;
 - (iii) when rules 2.4.1 and 2.4.2 do not establish an order of benefit determination, the benefits of a Plan which has covered the person on whose expenses claim is based for the longer period of time will be determined before the benefits of a Plan which has covered such person the shorter period of time.
- (e) When this Section 10 operates to reduce the total amount of benefits otherwise payable as to a person covered under the EH&VC Plan during any Benefit Year, each benefit that would be payable in the absence of this Section 10 will be reduced proportionately, or in such other equitable manner as the Service Organization may determine, and such reduced amount will be charged against any applicable benefit limit of the EH&VC Plan.

3. Coordination of Benefits Limitation.

If benefits are payable under another Plan, benefits payable under the EH&VC Plan will be reduced when required by the terms of the Coordination of Benefits Provision contained in this Section 10.

SECTION 10 - COORDINATION OF BENEFITS (Cont'd)

4. Right to Receive and Release Necessary Information.

For the purposes of determining the applicability of and implementing the terms of this Section 10 of the EH&VC Plan or any provision of similar purpose of any other Plan, the Service organization may, without the consent of or notice to any person, release to or obtain from any other insurance company or other organization or person any information, with respect to any person which the Service Organization deems to be necessary for such purposes. Any person claiming benefits under the EH&VC Plan will furnish to the Service Organization such information as may be necessary to implement this Section 10.

5. Facility of Payment.

Whenever payments which should have been made under the EH&VC Plan in accordance with this Section 10 have been made under any other Plan, the Service Organization will have the right, exercisable alone and in its sole discretion, to pay over to any organizations making such other payments any amounts it may determine to be warranted in order to satisfy the intent of this Section 10 and amounts so paid will be deemed to be benefits paid under the EH&VC Plan and, to the extent of such payments, the Service Organization will be fully discharged from liability under the EH&VC Plan.

6. Right of Recovery.

Whenever payments have been made by the Service Organization with respect to Allowable Expenses in a total amount which is, at any time in excess of the maximum amount of payment necessary at that time to satisfy the intent of this Section 10, the Service Organization will have the right to recover such payments, to the extent of such excess, from among one or more of the following, as the Service Organization may determine: any persons to or for or with respect to whom such payments were made, any other insurance companies, any other organizations.

LISTING OF COLLECTIVE AGREEMENTS COVERED
BY THE MASTER AGREEMENT

<u>ORGANIZATION</u>	<u>AGR. #</u>	<u>CLASSIFICATION EMPLOYEES</u>	<u>LOCATION</u>
Canadian -Pacific Limited			
Brotherhood of Maintenance of Way Employees	41	Employees in Track and R&B Department	CP Rail, Dominion Atlantic Rly, Esquimalt & Nanaimo Rly, Quebec Central Rly, Grand River Railway, Lake Erie & Northern Railway Company
	42	Extra Gang Labourers	CP Rail, Dominion Atlantic Rly, Esquimalt & Nanaimo Rly, Quebec Central Rly, Grand River Railway, Lake Erie & Northern Railway Company

ORGANIZATION	AGR. #	CLASSIFICATION OF EMPLOYEES	LOCATION
Brotherhood of Maintenance of Way Employees (cont'd)		Employees in Rail Reclamation Plants	Lines in Canada
		Operators, Power Machines	Lines in Canada
		Employees, Work Equipment Repair Shops	Lines In Canada
		Employees In Rail Butt Welding Plants	Lines In Canada
Canadian Signal and Communications Union	1	S&C Foreman, S&C Assistant Foreman, S&C Senior Technician, S&C Technician, S&C Leading Maintainer, S&C Maintainer, S&C Maintainer's Helper, S&C Wireman, S&C Fitter, S&C Gang Helper, S&C Labourer, S&C Assistant Shop Foreman, S&C Leading Repairman, S&C Repairman, and S&C Junior Repairman	Lines in Canada

<u>ORGANIZATION</u>	AGR. CLASSIFICATION OF .# EMPLOYEES, .	LOCATION
Transportation- Communications Union	Clerks and other classes of employees	Lines in Canada
	Freight Handler!;	Montreal Wharf
	Security Guards, Department of Investigation.	Lines in Canada
Rail Canada Traffic Controllers	Train Dispatchers, Traffic Supervisors, Dispatcher Operators, Agents, Operators, Station Assistants	CP Rail Dominion Atlantic Railway, Esquimalt and Nanaimo Rly, Quebec Central Railway
Grand River Railway Company, <u>Lake Erie & Northern Railway Company</u>		
Transportation- Communications Union	Dispatchers, Operators, Clerks and Shedmen	System

APPENDIX "C"

LIST OF ADMITTED GROUPS

<u>COMPANY</u>	<u>GROUP</u>	<u>UNION AFFILIATION</u>
Canadian Pacific Limited	Constables & Sergeants	CPFA
	Licensed Shipboard Personnel - BCCSS	CMSG
	Unlicensed Shipboard Personnel - BCCSS	SIU
	Galley Staff Employees - BCCSS	TCU
Algoma Central Railway	Associated Non-operating Employees	BMWE TCU

This Dental Plan Agreement made the 30 day of ~~JUNE~~, 1989, ~~cancel~~s and supersedes for the Unions signatory hereto as specified in Appendix "B" to this Agreement, the Dental Plan Agreement dated December 10, 1985, between Canadian Pacific Limited and the Unions signatory thereto.

BETWEEN:

CANADIAN PACIFIC LIMITED

(hereinafter called the "Company")

Of the First Part

AND

ASSOCIATED NON-OPERATING RAILWAY UNIONS

(hereinafter called the "Unions")

Of the Second Part

ARTICLE 1 - DEFINITIONS

In this Agreement :

The terms used herein shall have the meanings as hereinafter provided and the words implying the masculine gender include the feminine:

- (a) "Admitted Employees" is a group of employees which has been admitted to coverage pursuant to Article VIII.1 (c);
- (b) "Canadian Pacific Limited" includes those subsidiary and jointly owned companies for which and on whose behalf Canadian Pacific Limited executed the Master Agreement;
- (c) "Committee" means the Dental Plan Administrative Committee described in Article VII;
- (d) "Dental Plan" means the benefits and the terms and conditions relating thereto as agreed to for the employees of a Railway and their dependents, as herein defined, which benefits, terms and conditions appear in this Agreement and in Appendix "A", attached;
- (e) "Dependent(s)" means:
 - (i) the Eligible Spouse of an Eligible Employee, and

(ii) any unemployed dependent children, **stepchildren** or adopted children of an Eligible Employee:

(a) under age twenty-one and residing with such **Eligible Employee** or the **Eligible Spouse** of such **Eligible Employee**, or

(b) under age **twenty-five** if registered as a full-time College or University Student, or

(c) of any age if handicapped and solely dependent upon such **Eligible Employee**,

but

(iii) excludes any person who is covered under this Dental Plan as an **Eligible Employee**;

(g) "**Eligible Employee(s)**" means an employee of a Railway who is eligible for benefits pursuant to the eligibility requirements of Article III;

(g) "**Eligible Spouse**" means the person who is legally married to the **Eligible Employee** and who is residing with or supported by the **Eligible Employee**, provided that if there is no legally married spouse that is eligible? it means the person that qualifies as a spouse under the definition of that word in Section 2(1) of the Canada Human Rights Benefit Regulations, so long as such person is residing with the **Eligible Employee**.

(h) "**Master Agreement**" means the Master Agreement signed between the Company and the Unions on April 21st, 1989.

A list of the individual collective agreements covered by the above **Agreements** is attached hereto as Appendix "B".

(i) "**Railways**" means Canadian Pacific Limited and its subsidiaries, joint properties listed in the Master Agreement, an employer associated therewith, a group of whose **employees** has been admitted as provided by Article VIII.1(c). For the purpose of this agreement, the **Algona Central Railway** is included herein:

(j) "**Service Organization**" means the institution which is responsible for the daily administration and operation of the Dental **Plan**.

ARTICLE I - PAYMENTS

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1. The cost of the Dental Plan will be borne by the Company pursuant to the Master Agreement.
2. In respect of Admitted Employees, the cost of the Dental Plan, will be borne in accordance with the Collective Agreement covering such employees. (The cost will be as determined by the Service Organization prior to each calendar year.

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ARTICLE . . 1 - ELIGIBILITY FOR COVERAGE

1. An employee and his **dependents** shall become **eligible** for benefits under the Dental Plan on the first day of the calendar month next **following** the date on which he completes twelve months of compensated service.
2. An employee who has compensated service **for** a regular or partial eight-hour **shift** for **252** days will be deemed to have completed twelve **months** of compensated service. In respect of employees covered by **spare** board provisions, days worked and/or available will be deemed to be days of service.
3. After an employee has established eligibility, **such** eligibility shall be continued during each month in which he has compensated service,
4. An Eligible Employee who is laid off, on leave of absence, on strike or is dismissed (and **is** subsequently **re-instated**) and whose dental coverage **is** terminated pursuant to this Agreement is again eligible for benefits on the date he returns to active **Work**.
5. The coverage of a Dependent is conditional upon the eligibility of the employee in relation to whom the former **is** a Dependent.
6. Notwithstanding the provisions of this Article **and subject** to Article VIII.1(c)(ii), all those individuals who **would, but for** their full-time employment **as** officers of Unions representing bargaining units covered by this **Plan**, be **full-time** employees with one of the Railways; may be admitted to coverage under this plan. Such individuals shall pay direct to the Company the **appropriate** amount to secure coverage under this plan.

ARTICLE IV -- DENTAL BENEFITS

1. The Dental Plan for Eligible Employees shall provide for dental care which shall be in accordance with this Agreement and Appendix "A".
2. For dental claims which originate on or after January 1st, 1989, each Eligible Employee, subject to the provisions of Article IV.4 shall be entitled to claim as follows:
 - (a) For basic dental services, reimbursement of costs incurred up to 100% of Covered Expenses;
 - (b) For major dental services, reimbursement of costs incurred up to 50% of Covered Expenses.
3. The Covered Expenses referred to in Article IV.2 are defined as the amounts in effect on the day of treatment as specified in the relevant provincial Dental Association Fee Guides for the year 1989.
4. An Eligible Employee and his Dependents shall be entitled to claim reimbursement of Covered Expenses incurred up to a maximum of \$1,000.00 per person per calendar year after an annual calendar year deductible amount of \$35.00 per family has been applied.
5. Basic dental services, which include preventive and diagnostic services, extractions and oral surgery, minor restorations (fillings), periodontics and endodontics, are those specified in Appendix "A".
6. Major dental services, which include major restorations and prosthodontics, are those specified in Appendix "A".
7. The dental services outlined in this Article are subject to the exclusions, limitations and requirements specified in Appendix "A".

ARTICLE V - TERMINATION OF AN ELIGIBLE EMPLOYEE'S COVERAGE

1. The coverage of an Eligible Employee and Dependents, under this Dental Plan **terminates** automatically on the earliest of the following dates:
 - (i) in the event the contracts with the Service Organization are discontinued,, the date of such discontinuance;
 - (ii) the date on which an Eligible Employee's Service **is** terminated by resignation or dismissal:
 - (iii) the date of the last day worked if Work ceases due to
 - (a) leave of absence in **excess** of thirty days due to disability (including disability covered by Worker's Compensation) or pregnancy;
 - (b) lay-off or **strike**;
 - (c) **death**;
 - (iv) the date on which the Eligible Employee retires in accordance with his employer's pension **rules**;
 - (v) the **last** day of the month during which the Eligible Employee **transfers** to a position to which this Dental Plan does not **apply**;
 - (vi) the date of the last day worked **if** Work ceases due to leave of absence for a known period of **more** than thirty **days** for reasons other than disability or pregnancy;
 - (vii) the date on which a Dependent ceases to be a Dependent.
2. Notwithstanding anything to the contrary contained herein, Eligible Employees who have been involuntarily laid-off due to the annual shop closedown for **annual** vacation shall continue to be covered for emergency dental treatment during the period of **such** closedown.

Extended Benefits after Termination of an Eligible Employee's Coverage

3. Dental **expenses** which are incurred by an Eligible Employee or Dependent after termination of coverage as a **result** of 1. (iii) or 1. (iv) above will be Covered Expenses if supplies **involved** were ordered or **the treatment** involved commenced while the Eligible Employee or Dependent was covered, but only **if** the item is finally delivered or **installed** or the treatment is completed no later than thirty calendar days **after** the last day worked.

ARTICLE VI - SUBMISSION OF CLAIMS

1. An Eligible Employee shall be responsible for the completion of the claim forms and to furnish proof of Covered Expenses incurred as shall be deemed necessary and appropriate by the Service Organization.
2. Any employee who is denied all or any part of a claim for reimbursement by the Service Organization shall receive from the Service Organization a notice in writing setting forth the specific reasons for such denial, specific reference to the Dental Plan's provisions on which the denial is based, a description of any additional material necessary for the claimant to support the claim, and explanations both as to why such material is necessary and as to the terms of the Dental Plan's claims review procedure, all written in a manner calculated to be understood by the person whose claim has been denied,
3. Any employee whose claim has been denied by the Service Organization may submit, within sixty days after such denial, information and materials in support of the claim to the Service Organization's claims review section. Within sixty days of receiving such submission, the claims review section shall review it and make a determination. This determination shall be final, shall be in writing, shall include specific reasons for the decision and specific reference to the Dental Plan provision on which it is based; it shall, also be written in a manner calculated to be understood by the claimant. In connection with any such review, the claimant will be permitted to examine pertinent documents and to submit issues and comments in writing.
4. A claim denied by the Service Organization will not be subject to review by the Committee unless the claim was denied on the basis of the eligibility provisions of Article III.
5. In the event that a dispute arises: in respect of a claim which was denied on the basis of the eligibility provisions of Article III, the employee shall first submit such disputed claim to his immediate supervisor. In the event that the dispute is not resolved at that point, the employee may require that it be submitted to the Committee for review in which case both the designated officer of the Railway and Union concerned will submit all relevant information. Such request must be made within sixty days of the date the claim is denied by the immediate supervisor.

ARTICLE VII = ADMINISTRATIVE COMMITTEE

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1. The Committee will **consist** of eight members, four of whom shall be appointed by the Union! and four by the Company,
 2. The members of the Committee shall be appointed on or before April 1989, for the period from that date until December 31st, 1989, and yearly thereafter and shall **hold** office until the 31st of December in the year for which they are appointed or until their respective successors have been appointed. At the same time and in the same manner a like number of **substi tutes** shall also be named, Should a vacancy occur on the Committee, whether temporary or otherwise, the vacancy shall be filled by a person chosen by the party who appointed the original member. The Unions and Company shall **notify** each other in writing of the names of their appointees and substitutes to the Committee within five days of the date of appointment. Such notice shall be given **by**, and delivered to the following, or persons authorized to act an their behalf:

On behalf of the Union!;

Chairman, **Negotiating** Committee
Associated Non-Operating Unions

On behalf of the Company:

Assistant Vice-president
Industrial Relations
CP Rail

3. Five member!; of the Committee shall be a quorum.
4. The members of the Committee shall select, from their own number, two Co-chairmen, one from the Unions and one from the Company, who shall hold office until the 31st day of December of the year for which they are selected, or until such earlier date **as** may be fixed by the Committee, or until their respective successors have been selected.
5. Each member of the Committee present at a meeting shall have the right ta cast one vote on each question. Decisions of the committee shall be carried by **five** or **more votes**, except as provided in Article VII.7, and shall be final and binding.
6. In the event that the **Committee is** unable to reach a decision on any question within its jurisdiction, any four members of the **Committee** may require the question to be referred to a referee. If the Committee is unable to reach a decision on the selection of a referee, it shall apply to **the** Minister of Labour of Canada for appointment of a referee.

7. When a matter has been referred to a referee as provided in Article VII.6, the referee shall, in respect of that question, have all the powers of the Committee as set out in Article VIII. The referee shall have no power to add to, subtract from, or modify any of the terms of this Agreement. The decision of the referee shall be final and binding.
8. The Committee shall meet from time to time as it may determine. Subject to the wishes of the Committee, the Co-chairmen shall alternate in presiding over successive meetings.

ARTICLE I L - POWERS AND DUTIES OF THE COMMITTEE

1. Except as otherwise provided herein, the powers and duties of the Committee shall be:
 - (a) To meet with the Service Organisation as may be necessary to discuss the overall operations of the Dental Plan;
 - (b) To review general communications to employees with respect to the Dental Plan;
 - (c) To admit to coverage under the Dental Plan:
 - (i) any applicant bargaining unit that has a collective agreement with a Railway; and
 - (ii) any individual who has an employment relationship with a Railway and who does not qualify to be an Eligible Employee as defined herein, such individual being deemed to be an Admitted Employee;subject to such conditions as may be determined from time to time by the Committee, and with the concurrence to such admission of the Service Organization. Any admitted group or individual can only be admitted under the same terms and conditions as are applicable to Eligible Employees;
 - (d) To cancel the coverage or modify the conditions, or any part thereof, that may have been extended in accordance with Article VIII.1(c);
 - (e) To employ staff and consultants and to undertake such expenditures as it may deem necessary for the administration of the Dental Plan; and
 - (f) To review and determine all requests for review submitted to it pursuant to Article VI.5.
2. The Committee shall at all times and in all respects, be subject to instructions and directions from the Company and Unions or their successors.
3. No act or decision taken by the Committee or any member thereof shall have the effect of adding to, subtracting from, or modifying the terms of this Agreement.

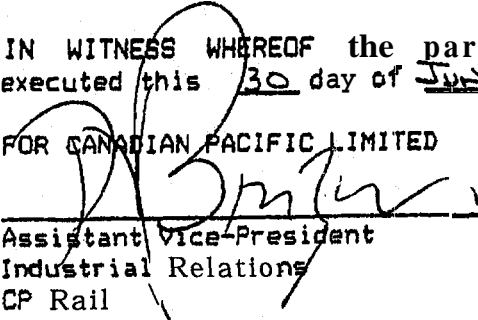
ARTICLE IX - ENTIRE AGREEMENT

This Agreement and the Appendices shall remain in effect until December 31, 1991, and thereafter until revised in the manner and at the time provided for in respect of the Master Agreements which are current from time to time.

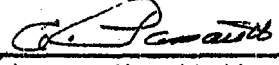
This Agreement and the Appendices "A", "B" and "C" attached hereto shall form the entire Agreement between the parties hereto and in the event of any inconsistency between this Agreement and Appendix "A", the provisions of Appendix "A" shall prevail.

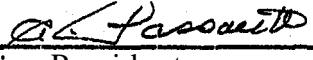
IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed this 30 day of JUNE, 1989, at Montreal, Quebec:.


FOR CANADIAN PACIFIC LIMITED



Assistant Vice-President
Industrial Relations
CP Rail

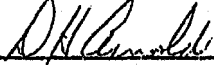
FOR THE UNIONS:


Chairman, Negotiating Committee
Associated Non-Operating Railway
Unions


Vice-President
Brotherhood of Maintenance of
Way Employees


National President
Canadian Signal and
Communications Union


National Vice-President
Transportation-Communications
International Union


System General Chairman
Rail Canada Traffic Controllers

EMPLOYEES OF CANADIAN PACIFIC
REPRESENTED BY THE ASSOCIATED NON-OPERATING RAILWAY UNIONS

SECTION I - DEFINITIONS

The terms used herein shall have the meanings as hereinafter provided and words implying the masculine gender include the feminine.

- (1) "Accidental Dental Injury" means an unexpected and unforeseen injury to the dental and contiguous structures happening without the direct intent of the person injured or happening as the direct result of his intentional act, such act not amounting to violent or negligent exposure to unnecessary danger.
- (2) "Adjusted Maximum Amount" means the maximum amount payable under the Benefit Provision during the first calendar year of coverage for any Eligible Employee or Dependent whose coverage becomes effective on or after July 1 of the calendar year and shall be the Adjusted Annual Dental Maximum Amount stated in the Table of Benefits for the Eligible Employee's Coverage Class.
- (3) "Calendar Year Deductible" means, in respect of the Covered Expenses incurred in the calendar year for which the Calendar Year Deductible is being calculated, the sum of the Covered Expenses which, when accumulated in the order in which they are incurred equals the individual Deductible Amount stated in the Table of Benefits for the Eligible Employee's Coverage Class,, except as provided in the Deductible Provisions. section.
- (4) "Co-Insurance Percentage" means that portion of Covered Expenses in excess of the Calendar Year Deductible which shall be reimbursed to the Eligible Employee pursuant to the Dental Plan. Such Co-insurance Percentage shall be further Identified in the Table of Benefits for the Eligible Employee's Coverage Class according to the type of treatment (Basic or Major) for which coverage is provided.
- (5) "Company" means Canadian Pacific Limited.
- (6) "Contractholder" means Canadian Pacific Limited.
- (7) "Covered Expenses" means, where permitted by law and to the extent that such services and supplies or portion thereof are not covered by the medical care insurance plan of the applicable province or any

"Covered Expenses" (Cont'd)

government dental plan or any other government health plan of the Eligible Employee's home province, Reasonable and Customary Charges for the types of dental treatment (Basic or Major) further described herein and identified in the Table of Benefits for the Eligible Employee's Coverage Class, up to but not exceeding the amount shown for a General Practitioner in the dental fee guide identified in the Table of Benefits for the Eligible Employee's Coverage Class, except that

- (a) if such service is rendered by a Dentist who is a specialist, and such dental fee guide contains a separate fee guide for his specialty, the maximum Covered Expense for such service shall be the amount listed in the guide for such specialty, and
- (b) if such service is rendered by a Dental Assistant or Dental Mechanic who is a member of a provincial group of Dental Assistants or Dental Mechanics which has its own official fee guide, the maximum Covered Expense for such service shall be the amount listed in such guide.

The following are Covered Expenses:

- A. Basic Expenses: Routine treatment rendered or prescribed by a Physician, Surgeon, Dentist or Oral Surgeon, or rendered by a Dental Assistant under the direct supervision of a Physician, Surgeon, Dentist or Oral Surgeon, or rendered by a Dental Mechanic:
 - (a) The following services (i) to (iv) inclusive, each limited to twice in any calendar year:
 - (i) oral examination;
 - (ii) prophylaxis (the cleaning and scaling of teeth);
 - (iii) bite-wing x-rays;
 - (iv) topical application of fluoride solutions;provided that, for each of the above services, a period of at least five consecutive months has elapsed since the last such service was rendered.
 - (b) Full-mouth series of x-rays, provided that a period of at least twenty-four consecutive months has elapsed since the last such series of x-rays was performed.
 - (c) Extractions and alveolectomy at the time of tooth extraction.
 - (d) Amalgam, silicate, acrylic and composite restorations.

"Covered Expenses" (Cont'd)

- (e) Dental surgery.
 - (f) Diagnostic x-ray and laboratory procedures required in relation to dental surgery.
 - (g) General anaesthesia required in relation to dental surgery.
 - (h) Necessary treatment for relief of dental pain.,
 - (i) The cost of medication and its administration when provided by injection in the dentist's office.
 - (j) Space maintainers for missing primary teeth, and habit-breaking appliances.
 - (k) Consultations required by the attending dentist,
 - (l) Surgical removal of tumors, cysts, neoplasms,
 - (m) Incision and drainage of an abscess.
 - (n) Periodontal treatment; - the treatment of gums and bone surrounding the teeth.
 - (o) Endodontic treatment - diagnosis and treatment of diseases of the nerve, including root canal therapy.
- B. Major Expenses: Treatment rendered or prescribed by a Physician, Surgeon, Dentist or Oral Surgeon, or rendered by a Dental Mechanic:
- (a) Provision of crowns and inlays.
 - (b) Provision of an initial prosthodontic appliance (e.g. fixed bridge restoration, removable partial or complete dentures).
 - (c) Replacement of an existing prosthodontic appliance if
 - (i) the replacement appliance replaces an existing appliance which is at least five years old and cannot be made serviceable:
 - (ii) the replacement appliance replaces an existing appliance which was temporarily installed after the date the employee first became insured under the Benefit Provision in respect of the person requiring the replacement appliance; in this event such replacement appliance shall be considered a permanent (as opposed to temporary) installation;

"Covered Expenses" (Cont 'cl)

(iii) the replacement appliance is required as the result of the **instal lation** of an initial opposing denture after **the** date the employee became **insured** under the Benefit Provision in respect of the person requiring the replacement appliance:

(iv) the replacement appliance **ls** required as the result of Accidental Dental Injury which occurs after the **date** **the** employee first became insured under the Benefit Provision in respect of the person requiring the replacement appliance:

(v) the replacement, appliance is required because at least one additional natural tooth was necessarily extracted after the date the employee first became covered under the Benefit Provision in respect of the person requiring the replacement appliance and the existing appliance could not have been made **serviceable**.

If the existing appliance could have been made **serviceable**? only the **expense** for that portion of replacement appliance which replaces the teeth extracted **afte**r the date the employee first became covered in respect of the person requiring the replacement appliance shall be covered.

(d) Relines, **rebases** and repairs to existing dentures.

(e) Procedures involving the use of gold **if** such treatment could not have been rendered at lower cost by means **of** a reasonable substitute consistent with generally accepted dental practice.

If such treatment could have been rendered at lower cost by means of a reasonable substitute, only **the** expense that would have been incurred for treatment by means of the reasonable substitute shall be covered.

(8) "Covered Expense Limitations" means the following incurred expenses which **shall** in no event be Covered Expenses:

(a) Services and supplies or portion thereof which are covered by a **government** health **plan** or any other government plan.

(b) Services and supplies for which a government or government agency prohibits the payment **of** benefits.

(c) Services and supplies provided by a **dental** or medical department **maintained** by the Employer, a **mutual** benefit

"Covered Expense Limitations" (Cont'd)

association, labour union, trustee (other than the Trustee as defined in the Dental Plan Agreement) or similar type of group.

- (cl) Services and supplies required as the result of any intentionally self-inflicted injury, or as the direct result of war (declared or undeclared) or of engaging in a riot or insurrection.
 - (e) Services and supplies rendered for dietary planning for the control of dental caries, for plaque control, for oral hygiene instructions, or for congenital or developmental malformation.
 - (f) Services and supplies rendered principally for cosmetic purposes including, but not limited to, facings on crowns or pontics posterior to the second bicuspid.
 - (g) Services and supplies rendered for a full mouth reconstruction for a vertical dimension correction, or for correction of a temporal mandibular joint dysfunction.
 - (h) Dental treatment which is not yet approved by the Canadian Dental Association or which is clearly experimental in nature.
 - (i) Dentures which have been lost, mislaid or stolen.
 - (j) Broken appointments or the completion of claim forms required by the Service Organization.
 - (k) Dental treatment that is not Treatment Necessarily Rendered. It is provided, however, that the Dental Plan shall consider as Covered Expenses (subject to the definition of Reasonable and Customary Charges) that portion of the expense that would have been incurred for an alternate form of treatment that would qualify as Treatment Necessarily Rendered.
 - (l) Services and supplies referred to in General Limitation B.
 - (m) Orthodontic: Treatment.
- (9) "Dental Assistant" means a person duly qualified to perform the service rendered and shall include a dental hygienist and any other similarly qualified person.
- (10) "Dental Benefits" means the amount to which an Eligible Employee or Dependent is entitled to pursuant to Section IV hereof.

- (11) "Dental Mechanic" means a person
- (a) who is duly qualified to perform the service rendered and shall include a dental therapist, **denturist**, denturologist and any other similarly qualified person, and
 - (b) who practices in a province or state in which he is legally permitted to deal directly with the public.
- (12) "Dental Plan" means the Dental Plan described herein.
- (13) "Dental Plan Agreement" shall mean the agreement entered into between the Company and the Unions on the _____ day of _____ 1989, in respect of Dental Benefits.
- (14) "Dentist" and "Oral Surgeon" mean any person duly qualified and legally licensed to practice dentistry in Canada or the United States, provided that such person renders a service within the scope of his license.
- (15) "Eligible Employee(s)" means an employee of a Railway who is eligible for benefits pursuant to the eligibility requirements of Article III;
- (16) "Dependent(s)" means :
- (i) the Eligible Spouse of an Eligible Employee, and
 - (ii) any unemployed dependent children, stepchildren or adopted children of an Eligible Employee:
 - (a) under age twenty-one and residing with such Eligible Employee or the Eligible Spouse of such Eligible Employee, or
 - (b) under age twenty-five if registered as a full-time College or University Student, or
 - (c) of any age if handicapped and solely dependent upon such Eligible Employee,
- but
- (iii) excludes any person who is covered under this Dental Plan as an Eligible Employee;
- (17) "Eligible Spouse" means the person who is legally married to the Eligible Employee and who is residing with or supported by the Eligible Employee, provided that if there is no legally married spouse that is eligible, it means the person that qualifies as a

spouse under the definition of that word in Section 2(1) of the Canadian Human Rights Benefit Regulations, so long as such person is residing with the Eligible Employee.

- (18) "Employer" means a Railway as defined herein.
- (19) "Maximum Amount" means the maximum amount payable under the Benefit Provision for any Eligible Employee or Dependent in any one calendar year and shall be the Annual Dental Maximum Amount stated in the Table of Benefits for the Eligible Employee's Coverage Class.
- (20) "Participating Province" means for the purposes of General Limitation C, the term "Participating Province" as defined in the Medical Care Act of Canada.
- (21) "Physician" means only a duly qualified physician who is legally licensed to practice medicine in Canada or the United States.
- (22) "Railway" means Canadian Pacific Limited and its subsidiaries, joint properties listed in the Master Agreement, an employer associated therewith, a group of whose employees has been admitted as provided by Article VIII.1 (c). For the purpose of this agreement, the Algoma Central Railway is included herein.
- (23) "Reasonable and Customary Charges" means charges for services and supplies of the level usually furnished for cases of the nature and severity of the case being treated and which are in accordance with representative fees and prices as provided for in the Table of Benefits.
- (24) "Service" and "Work" mean employment with the Employer.
- (25) "Service Organization" means the institution which is responsible for the daily administration and operation of the Dental Plan.
- (26) "Surgeon" means only a duly qualified physician who is legally licensed to practice surgical medicine in Canada or the United States.
- (27) "Treatment Necessarily Rendered" means treatment necessarily rendered
- (a) for the prevention of dental disease or dental defect, but limited to those services and supplies, if any, listed in the definition of Covered Expenses, and
 - (b) for the correction of dental disease, dental defect or Accidental Dental injury
- provided that such treatment is consistent with generally accepted practice.

- (28) "Treatment Period" means the period during which a planned course of Basic or Major Treatment is to be rendered as estimated in the Treatment Plan for the complete correction of any dental disease, dental defect or Accidental Dental Injury.
- (29) "Treatment Plan" means a written report prepared by the attending practitioner as the result of his examination of the patient, and providing the following:
- (a) the recommended treatment for the complete correction of any dental disease, defect or Accidental Dental Injury, and
 - (b) the period during which such recommended treatment is to be rendered ; and
 - (c) the estimated cost of the recommended treatment and necessary appliances.

SECTION II - ELIGIBILITY FOR COVERAGE

1. An employee and his dependents shall become eligible for benefits under the Dental Plan on the first day of the calendar month next following the date on which he completes twelve months of compensated service.
2. An employee who has compensated service for a regular or partial eight-hour shift for 252 days will be deemed to have completed twelve months of compensated service. In respect of employees covered by spare board provisions, days worked and/or available will be deemed to be days of service.
3. After an employee has established eligibility, such eligibility shall be continued during each month in which he has compensated service,
4. An Eligible Employee who is laid off, on leave of absence, on strike or is dismissed (and is subsequently re-instated) and whose dental coverage is terminated pursuant to this Agreement is again eligible for benefits on the date he returns to active Work.
5. The coverage of a Dependent is conditional upon the eligibility of the employee in relation to whom the former is a Dependent.
6. Notwithstanding the provisions of this Article and subject to Article VIII.1(c)(ii), of the Dental Plan Agreement, all those individuals who would, but for their full-time employment as officers of Unions representing bargaining units covered by this Plan, be full-time employees with one of the Railways may be admitted to coverage under this plan. Such individuals shall pay direct to the Company the appropriate amount to secure coverage under this plan.

Effective Date of an **Eligible Employee's Coverage**

7. The coverage of an Eligible Employee becomes effective on the date he becomes eligible in accordance with Section II.
 - a. However, the coverage of any employee who is not actively at Work or in receipt of pay on the date his coverage would otherwise become effective shall not become effective until the date of his return to Work.
9. The coverage of a Department is conditional upon the eligibility of the employee in relation to whom the former is a Dependent.

SECTION 1.1 - ELIGIBLE EMPLOYEE'S COVERAGE CLASS

Each Eligible Employee covered hereunder shall be covered in the Coverage Class to which he belongs on the basis of the following Table of Coverage Classes :

Table of Coverage Classes

	(a) if he has no <u>dependents</u>	(b) if he has one or <u>more dependents</u>
All Eligible Employees	001-0	002-1

F BENEFITS

'This Table of Benefits by itself has no full meaning and must only be interpreted in conjunction with other provisions of this Dental Plan.

'The benefits for which an Eligible Employee is covered shall be those shown in the following Table of Benefits for the Coverage Class in which the Eligible Employee is covered:

Table of Benefits

Effective Date - January 1, 1989

<u>Dentalcare Benefits</u>	<u>Eligible Employee; and Dependents</u> <u>in Both Coverage Classes</u>
Covered Expenses	See Benefit Provision
Dental Schedule	
- applicable to treatment rendered in Canada	The dental fee guide in effect on the date and in the province in which the treatment is rendered, up to and including December 31, 1991.
- applicable to treatment rendered outside of Canada	The dental fee guide in effect in the province in which the Eligible Employee resides on the date the treatment is tendered, up to and including December 31, 1991.
Calendar Year Deductible (applicable to all Dentalcare Covered Expenses)	
- Individual Deductible Amount	\$35.00
- Family Deductible Amount	\$35.00
Co-Insurance Percentage	
- in respect of Basic Treatment Expenses	100%
- in respect of Major Treatment Expenses	50%
Annual Dental Maximum Amount	\$1,000.00
Adjusted Annual Dental Maximum Amount	\$500.00

SECTION V - **BENEFIT PROVISION: DENTALCARE: EXPENSE BENEFITS FOR
ELIGIBLE EMPLOYEES AND DEPENDENTS**

Benefit Payment Clause

Subject to **the** other sections of this Benefit Provision, if an Eligible **Employee** incurs Covered Expenses

- (a) as a result of Treatment Necessarily Rendered, or,
- (b) **while** covered under this Benefit Provision, in respect of a Dependent for whom such Covered Expenses **are** incurred,

then, for all such Covered Expenses **incurred** in respect of such Eligible Employee **or** Dependent in any one calendar year, the Co-insurance Percentage (as stated in the 'Table of Benefits for the **Eligible Employee's Coverage Class**) of those such Covered Expenses shall be paid up to but not exceeding the Maximum Amount (**\$**) stated in the Table of Benefits **for** the **Eligible Employee's Coverage Class**.

Treatment Plan Provision

An Eligible Employee **should**, prior to the commencement of a course of dental treatment for which the estimated cost **is \$200 or more**, submit to the Service Organization a Treatment Plan but solely as a basis for the determination of **benefit**; and not as a prerequisite for the payment of benefits. The Service Organization will thereafter advise the **Eligible Employee** of the amounts payable under this Benefit Provision for the **treatment envisaged** by the Treatment Plan on **the** basis of the Treatment Plan estimate.

Deductible Provisions

Calendar Year Deductible - It is hereby provided **that:**

- (1) the Individual Deductible Amount shall be applied only once to a **course** of treatment for which a Treatment Plan was submitted in accordance with the Treatment Plan was submitted in accordance with the Treatment Plan Provision if **the** treatment was **actually** rendered in the Treatment Period estimated in the Treatment Plan and the treatment **continued** beyond **the** calendar year in **which** the course of treatment commenced;
- (2) **not more** than the Family Deductible Amount (as stated in the Table of Benefits for the Eligible **Employee's Coverage Class**) shall be applied against the Covered Expenses of an Eligible Employee and all his Dependents in any one calendar year;

Miscellaneous Provisions

- (1) A Covered Expense is deemed to have been incurred on the date the service was rendered or the supply was purchased.
- (2) Covered Expenses shall be subject to the Coordination of Benefits Provision as defined in this Dental Plan.

SECTION.VI - GENERAL LIMITATIONS

A. No benefits shall be paid for or on account of:

- (i) an Accidental Dental Injury arising out of or in the course of any employment for remuneration or profit other than with the Employer, or
- (ii) an Accidental Dental Injury of a Dependent arising out of or in the course of any employment for remuneration or profit, or
- (iii) a sickness for which the person whose claim is presented is entitled to indemnity in accordance with the provisions of any Workers' Compensation or similar law.

B. No benefits shall be paid for:

- (i) services received in a hospital owned or operated by the Government of Canada or the Government of the United States, unless the Eligible Employee or Dependent is required to pay for such services, or
- (ii) services provided by a provincial government hospitalization or health plan in which the Eligible Employee or Dependent is eligible to participate, or
- (iii) services rendered to the Eligible Employee or to the Dependent to which such person is entitled without charge pursuant to any law, or for which there is no cost to the Eligible Employee or Dependent except for the existence of insurance against such cost.

C. No benefits shall be paid under the provisions of this Dental Plan in respect of expenses incurred for Covered Expenses for which benefits are provided under the Medical Care Insurance Plan of the Participating Province in which the insured person is or was a resident.

SECTION VII - CURRENCY

All monies payable under this Dental Plan shall be payable in lawful money of Canada.

SECTION I - TERMINATION OF AN ELIGIBLE EMPLOYEE'S COVERAGE

1. The coverage of an Eligible Employee and Dependents under this Dental Plan terminates automatically on the earliest of the following dates:
 - (i) in the event the contracts with the Service Organization are discontinued,, the date of such discontinuance;
 - (ii) the date on which an Eligible Employee's Service is terminated by resignation or dismissal;
 - (iii) the date of the last day worked if Work ceases due to
 - (a) leave of absence in excess of thirty days due to disability (including disability covered by Worker's Compensation) or pregnancy;
 - (b) lay-off or strike;
 - (c) death;
 - (iv) the date on which the Eligible Employee retires in accordance with his employer's pension rules;
 - (v) the last day of the month during which the Eligible Employee transfers to a position to which this Dental Plan does not apply;
 - (vi) the date of the last day worked if Work ceases due to leave of absence for a known period of more than thirty days for reasons other than disability or pregnancy;
 - (vii) the date on which a Dependent ceases to be a Dependent.
2. Notwithstanding anything to the contrary contained herein, Eligible Employees who have been involuntarily laid-off due to the annual shop closedown for annual vacation shall continue to be covered for emergency dental treatment during the period of such closedown.

Extended Benefits after Termination of an Eligible Employee's Coverage

3. Dental expenses which are incurred by an Eligible Employee or Dependent after termination of coverage as a result of 1.(iii) or 1.(v) above will be Covered Expenses if supplies involved were ordered or the treatment involved commenced while the Eligible Employee or Dependent was covered, but only if the item is finally delivered or installed or the treatment is completed no later than thirty calendar days after the last day worked.

SECTION IX - PROVISION FOR COORDINATION BETWEEN THIS DENTAL PLAN
AND OTHER BENEFITS

A. Benefits Subject to this Provision

All of the benefits provided under this Dental Plan are subject to this Provision.

B. Definitions

(1) "Plan" means any arrangement providing benefits or services for or by reason of medical or dental care or treatment, which benefits or services are provided by

(a) any group or group-type

(i) insurance policy,

(ii) prepayment subscriber contract, or

(iii) automobile insurance plan;

(b) any labor-management trusteed plan (other than this Dental Plan), union welfare plan, employer organization plan, or employee benefit organization plan;

(c) any governmental plan which provides benefits or services, and any coverage required or provided by any statute;

(d) any individual automobile insurance plan,

The term "group-type" means any policy, contract or plan which

(i) is not available to the general public, and

(ii) can be obtained and maintained only because of the covered person's membership in or connection with a particular organization or group;

regardless of whether individual policy forms are utilized, and whether such plan is designated as "franchise", "blanket" or in some other fashion.

The term "Arrangement" shall be construed separately with respect to each policy, contract, or other arrangement for benefits or services and separately with respect to (i) that portion of any such policy, contract, or other arrangement which reserves the right to take the benefits or services of other Plans into consideration in determining its benefits and (ii) that portion which does not,

- (2) "This Arrangement" means that portion of this Dental Plan which provides the benefits that are subject to this Provision,
- (3) "Allowable Expense(s)" means any Reasonable and Customary Charges at least a portion of which are covered under at least one of the Arrangements covering the person for whom claim is made.

Benefits under a governmental plan shall be taken into consideration without expanding the definition of "Allowable Expense" beyond the hospital, medical and surgical benefits as may be provided by such governmental plan.

When an Arrangement provides benefits in the form of services rather than cash payments, the reasonable cash value of each service rendered shall be deemed to be both an Allowable Expense and a benefit paid.

- (4) "Claim Determination Period" means a calendar year.

C. Effect on Reprof. Lts

- (1) This Provision shall apply in determining the benefits payable to an Eligible Employee covered under This Arrangement for any Claim Determination Period if, for the Allowable Expenses incurred by such Eligible Employee and his Dependents during such Treatment Period, the sum of

- (a) the benefits that would be payable under This Arrangement in the absence of this Provision, and
- (b) the benefits that would be payable under all other Arrangements in the absence therein of provisions of similar purpose to this Provision,

would exceed such Allowable Expenses.

- (2) As to any Claim Determination Period with respect to which this Provision is applicable, the benefits that would be payable under This Arrangement in the absence of this Provision for the Allowable Expenses incurred by such Eligible Employee and his Dependents during such Claim Determination Period shall be reduced to the extent necessary so that the sum of

(a) such reduced benefits and (b) all the benefits payable for such Allowable Expenses under all other Arrangements, except as provided in item (3) of this Section C, shall not exceed the total of such Allowable Expenses. Benefits payable under another Arrangement include the benefits that would have been payable had claim been duly made therefor.

(3) If

- (a) another Arrangement which is involved in item (2) of this Section C and which contains a provision coordinating its benefits with those of This Arrangement would, according to its rules, determine its benefits after the benefits of This Arrangement have been determined, and
- (b) the rule set forth in item (4) of this Section C would require This Arrangement to determine its benefits before such other Arrangement,

then the benefits of such other Arrangement will be ignored for the purposes of determining the benefits; under This Arrangement.

(4) For the purposes of item (3) of this Section C, the rules establishing the order of benefit determination are:

- (a) the benefits of an Arrangement which covers the person on whose expenses claim is based other than as a Dependent shall be determined before the benefits of an Arrangement which covers such person as a Dependent;
- (b) the benefits of an Arrangement which covers the person on whose expenses claim is based as a Dependent of a male person shall be determined before the benefits of an Arrangement which covers such person as a Dependent of a female person;
- (c) when rules (a) and (b) do not establish an order of benefit determination, the benefits of an Arrangement which has covered the person on whose expenses claim is based for the longer period of time shall be determined before the benefits of an Arrangement which has covered such person the shorter period of time.

In determining the length of time an individual has been covered under a given Arrangement, two successive Arrangements of a given group shall be deemed to be one continuous Arrangement so long as the claimant concerned was eligible for coverage within twenty-four hours after the prior Arrangement terminated. Thus, neither a change in the amount or scope of benefits provided by an Arrangement, a change in the carrier insuring the Arrangement nor a change from one type of Arrangement to another (e.g. single employer to multiple employer Arrangement, or vice versa) would constitute the start of a new Arrangement.

If a claimant's effective date of coverage under a given Arrangement is subsequent to the date the carrier first contracted to provide the Arrangement for the group concerned, then, in the absence of specific information to the contrary, the claimant's length of time covered under that Arrangement shall be measured from the claimant's effective date of coverage.

If a claimant's effective date of coverage under a given Arrangement is the same as the date the carrier first contracted to provide the Arrangement for the group concerned, then the carrier shall request the group concerned to furnish the date the claimant first became covered under the earliest of any prior Arrangements the group may have had. If such date is not readily available, the date the claimant first became a member of the group shall be used as the date from which to determine the length of time his coverage under that Arrangement has been in force.

- (5) When this provision operates to reduce the total amount of benefits otherwise payable to an Eligible Employee or Dependent covered under This Arrangement during any Claim Determination Period, each benefit that would be payable in the absence of this Provision shall be reduced proportionately, and such reduced amount shall be charged against any applicable benefit limit of This Arrangement.

D. Right to Receive and Release Necessary Information

for the purposes of determining the applicability of and implementing the terms; of this Provision, This Arrangement, or any provision of similar purpose of any other Arrangement, the Service Organization may, without the consent of or notice to any person, release to or obtain from any insurance company or other organization or person any information with respect to any person which the Service Organization deems to be necessary for such purposes. Any Eligible Employee claiming benefits under This Arrangement shall furnish to the Service Organization such information as may be necessary to implement this Provision.

E. Claim Payment Time Limit

If the investigation of possible other coverage for Coordination of Benefits purposes delays payment beyond sixty days, payment of the claim shall be made pursuant to this Dental Plan. If such payment is made as the primary plan because there is insufficient information to make payment as the secondary plan, the Service Organization shall have the right to recover such excess benefits in accordance with the Right of Recovery Provision.

F. Facility of Payment

Whenever payments which should have been made under This Arrangement in accordance with this provision have been made under any other Plans, the Service Organization shall have the right, exercisable alone and in its sole discretion, to pay over to any organisations making such other payments any amounts it shall determine to be warranted in order to satisfy the intent of this Provision, and amounts so paid shall be deemed to be benefits paid under This Arrangement and, to the extent of such payments, the Employer shall be fully discharged from liability under This Arrangement.

G. Right of Recovery

Whenever payments have been made by the Service Organization with respect to Allowable Expenses in a total amount, at any time, in excess of the maximum amount of payment necessary at that time to satisfy the intent of this Provision, the Service Organization shall have the right to recover such payments to the extent of such excess from among one or more of the following as the Service Organization shall determine: any persons to or for or with respect to whom such payments were made, any insurance companies and any other organizations.

SECTION - - GENERAL PROVISIONS

Notice of Claim

Written notice of claim must be given to the Service Organization within sixty days after any expense covered by the Dental Plan has been incurred, or as soon thereafter as is reasonably possible.

Time of Payment of Benefits

Benefits payable under this Dental Plan for any Covered Expense will be paid by the Service Organization immediately upon receipt of due written proof of such Expense.

Payment of Claims

If any benefit of this Dental Plan shall be payable to the estate of an Eligible Employee or to an Eligible Employee not competent to give a valid release, the Service Organization shall pay such benefit up to the maximum provided for under the Dental Plan to the proper legal representative of the Eligible Employee. Any payment made by the Service Organization in good faith pursuant to this Provision shall fully discharge the Employer to the extent of such payment.

The benefits provided by this Dental Plan shall be paid directly to the Eligible Employee unless he directs on the claim form that such benefits or part thereof shall be paid directly to the provider of the services covered hereby.

Claims Review Procedure

Any employee who is denied all or any part of a claim for reimbursement by the Service Organization shall receive from the Service Organization a notice in writing setting forth the specific reasons for such denial, specific reference to the Dental Plan's provisions on which the denial is based, a description of any additional material necessary for the claimant to support the claim, and explanations both as to why such material is necessary and as to the terms of the Dental Plan's claims review procedure, all written in a manner calculated to be understood by the person whose claim has been denied.

Any employee whose claim has been denied by the Service Organization may submit, within sixty days after such denial, information and material in support of the claim to the Service Organization's claims review section. Within sixty days of receiving such submission, the claims review section shall review it and make a determination. This determination shall be final, shall be in writing and shall include specific reasons for the decision and specific reference to the Dental Plan provisions on which it is based; it shall also be written in a manner calculated to be understood by the claimant. In connection with any such review, the claimant will be permitted to examine pertinent documents and to submit issues and comments in writing.

Physical Examinations

The Service Organization, at its own expense, shall have the right and opportunity to have the Eligible Employee or Dependent examined when and as often as it may **reasonably** require during **the pendency** of a benefit payment hereunder.

Actions . . .

No legal action shall be brought to recover benefits payable under this Dental Plan prior to the expiration of **sixty days** after written proof of **loss has** been furnished in accordance with the requirements of this Dental Plan, No such action **shall** be brought after the expiration **of** three years after the **time** written proof of **loss** is required to be furnished.

LISTING OF COLLECTIVE AGREEMENTS COVERED
BY THE MASTER AGREEMENT

<u>ORGANIZATION</u>	<u>AGR. #</u> <u>CLASSIFICATION OF EMPLOYEES</u>	LOCATION
<u>Canadian Pacific Limited</u>		
Brotherhood of Maintenance of Way Employees 41	Employees in Track and B&B Department	CP Rail, Dominion Atlantic Rly, Esquimalt & Nanaimo Rly, Quebec Central Rly, Grand River Railway, Lake Erie & Northern Railway Company
	42 Extra Gang Labourers;	CP Rail, Dominion Atlantic Rly, Esquimalt & Nanaimo Rly, Quebec Central Rly, Grand River Railway, Lake Erie & Northern Railway Company

<u>ORGANIZATION</u>	<u>AGR.</u> <u>- #</u>	<u>CLASSIFICATION OF</u> <u>EMPLOYEES</u>	<u>LOCATION</u>
Brotherhood of Maintenance of Way Employees (cont'd)		Employees in Rail Reclamation Plants	Lines in Canada
		Operators, Power Machines	Liner; in Canada
		Employees, Work Equipment Repair Shops	Lines in Canada
		Employees in Rail Butt Welding Plants	Lines in Canada
Canadian Signal and Communications Union	1	S&C Foreman, S&C Assistant Foreman, S&C Senior Technician, S&C Technician, S&C Leading Maintainer, S&C Maintainer, S&C Maintainer's Helper, S&C Wireman, S&C Fitter, S&C Gang Helper, S&C Labourer, S&C Assistant Shop Foreman, S&C Leading Repairman ⁹ S&C Repairman, and S&C Junior Repairman	Lines in Canada

<u>ORGANIZATION</u>	<u>AGR. #</u> <u>CLASSIFICATION OF EMPLOYEES</u>	<u>LOCATION</u>
Transportation- Communications Union	Clerks and other classes of employees	Lines in Canada
	Freight Handlers	Montreal Wharf
	Security Guards, Department of Investigation.	Lines in Canada
Rail Canada Traffic Controllers	Train Dispatchers, Traffic Supervisors, Dispatcher Operators, Agents, Operators, Station Assistants .	CP Rail Dominion Atlantic Railway, Esquimalt and Nanaimo Ry, Quebec Central, Railway
Grand River Railway Company, <u>Lake Erie & Northern Railway Company</u>		
Transportation- Communications Union	Dispatchers, Operators, System Clerks and Shedmen	

APPENDIX "C"

LIST-OF ADMITTED GROUPS

<u>COMPANY</u>	<u>GROUP</u>	<u>UNION AFFILIATION</u>
Canadian Pacific: Limited	Constables & Sergeants	CPPA
	Licensed Shipboard Personnel - BCCSS	CMSG
	Unlicensed Shipboard Personnel - BCCSS	SIU
	Pursers, Chief Stewards and Second Stewards - BCCSS	TCU
	Galley Staff Employees - BCCSS	TCU
Algoma Central Railway	Associated Non-Operating Employees	BMWE & TCU