

MEMORANDUM OF SETTLEMENT

Toronto, Ontario, July 5, 2012

Between

Toronto Terminals Railway Company Limited

And the

Canadian Signal and Communications System Council #11

Of the

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

Providing Amendments to
Collective Agreements 11.6 and 7.08

Application of Wage Increases And Other Changes Covering the Years 2012, 2013 & 2014

Rates of Pay Effective As Indicated

Rules and Benefits Effective the 1st of the Month Following Ratification or as Otherwise Indicated

The Company reserves the right to add to, revise, modify, substitute, amend, or withdraw any of the following, at its sole discretion. Any settlement or agreement reached on any item or items is conditional upon the conclusion of a global, total, and comprehensive memorandum of settlement, which has been ratified. The Company reserves the right to withdraw its agreement on any item or items, without prejudice, until such time as a final agreement is ratified. All offers should be considered as perishable and are subject to be withdrawn at the Company's discretion, upon advance notice to the Union.

Errors and omissions excepted.

1. TERM OF CONTRACT

Collective Agreements No. 11.6 and 7.08 will be renewed for a period of three years commencing January 1, 2012.

2. WAGES

- a) Effective January 1, 2012 a 3% increase in the basic rates of pay in effect on December 31, 2011.
- b) Effective January 1, 2013, a 3% increase in the basic rates of pay in effect on December 31, 2012.
- c) Effective January 1, 2014, a 3% increase in the basic rates of pay in effect on December 31, 2013.
- d) Retroactivity: Employees governed by Collective Agreement 11.6 and 7.08 that were in the service of the Company on or after January 1, 2012 will receive retroactive wage adjustment of 3% for the period of January 1, 2012 to the actual date of implementation of the first year wage increase. The retroactivity will be paid on a separate DDS deposit no later than 30 days following the date of ratification.

3. Benefits

Short Term Disability – Sickness and Maternity Leave Benefits

Effective the first of the month following ratification, increase short-term disability benefits week maximum to \$650.

Effective January 1, 2013, increase maximum to \$660

Effective January 1, 2014, increase maximum to \$680

Dental Plan

For treatment commencing on or after the month following ratification, covered expenses will be defined as the amounts in effect on the day of such treatment, as specified in the Ontario Dental Association Fee Guides for the year 2012.

For treatment commencing on or after January 1, 2013, covered expenses will be defined as the amounts in effect on the day of such treatment, as specified in the relevant Ontario Dental Association Fee Guides for the year 2013.

For treatment commencing on or after January 1, 2014, covered expenses will be defined as the amounts in effect on the day of such treatment, as specified in the relevant Ontario Dental Association Fee Guides for the year 2014.

Vision Care

Charges for laser eye surgery will be included as a covered expense to a maximum of \$250.00 subject to the plan's co-insurance rate and deductible. Only one claim for eyeglasses, contact

lenses or laser eye surgery can be made in any 12 month period for a person under age 18 or in any 24 month period for any other person.

Health Care Spending Account (see attachment "A")

4. Train Passes

The Union's proposal concerning passes is resolved on the basis of the letter contained as Attachment "B".

5. Safety Apparel

The issue related to Safety Apparel is resolved by the following: "The Company will introduce an annual reimbursement assistance in the amount of \$225.00 (inclusive of tax) per employee per year to support employee purchase of safety boots and/or other reflectorized personal protective equipment or safety apparel traditionally not supplied by the Company, which must be approved by the Company. Reimbursement will require the submission of receipts on the approved form."

6. Payment of wages for Union representatives on Union business under CA 7.08 and 11.6

Where the Company requests the attendance of a union representative at a meeting with the Company, the Company shall pay wages for the time required at the meeting. An employee requiring time off for union business shall make a request to their manager with as much advance notice as possible and shall provide details of the reason for the leave. Such time off shall not be unreasonably withheld.

If an investigation is held an employee may have the assistance of a fellow employee and/or accredited representative of the Union at the investigation. The accredited representative will be compensated his regular wages up to a maximum of one day lost wages.

7. Letter of Understanding implementing new classifications for CA 11.6

The discussions held during the current round of negotiations to possibly add a new classification in the Bargaining Unit are addressed in the Letter contained in Attachment "C".

8. Article 5 Hours of Work and Meal Period – CA 11.6

Revise Article 5 as follows:

HOURS OF SERVICE AND MEAL PERIOD

5.1

5.1.1 The work week for employees covered by this agreement, unless otherwise excepted herein, shall be designated by the Company as follows:

- a) forty (40) hours consisting of five (5) days of eight (8) hour shifts, with two (2) consecutive rest days in each seven (7); or

b) forty (40) hours consisting of four (4) days of ten (10) hour shifts, with three (3) consecutive rest days in each seven (7); or

c) eighty (80) hours consisting of eight (8) days of ten (10) hour shifts, with six (6) consecutive rest days in each fourteen (14).

The 8/6 cycle will preferably start on a Monday, Tuesday or Wednesday and the 4/3 cycle will preferably start on a Monday or Tuesday, and the General Chairman and/or his designate will be consulted prior to any changes.

Employees working in S&C Construction shall work a 4/3, or 8/6 work cycle in preference to a 5/2 cycle, unless:

- i. required to align with other scheduled work and allotted track blocks for operational reasons; or
- ii. for S&C training purposes of a duration of 5 days.

Employees working in S&C Maintenance shall work a 5/2 or 4/3 work cycle.

When the work cycle of an employee changes, the employee will not suffer lost wages through the course of fulfilling the requirements of eighty (80) regular hours in the pay period.

This article shall not be construed to create a guarantee of any number of hours or days of work not provided for elsewhere in this agreement.

Canada Labour Code – Averaging Agreement Understanding

5.1.2 The 8/6 work schedule for S&C construction shall constitute a 14 day averaging period for the purposes of Section 169(2) of the Canada Labour Code.

5.1.3 Time worked on proper authority during the 14 day averaging period, in excess of 80 hours shall be considered overtime hours and shall be paid at time and one half rates at the completion of the averaging period.

Revise Article 5.2 as follows: “Regular maintenance assignments shall have a fixed starting time, which will not be changed without thirty-six (36) hours’ notice to the employees affected. Employees’ time will start and end at a designated point. Where the starting time of a regular maintenance assignment is changed in excess of four (4) hours, the employee initially affected may elect to exercise his seniority within the 36 hour “notification period” or will signify his acceptance of the change in starting time and the employee will forfeit his right to exercise seniority under these circumstances. Vacancies occurring as a result of this article will be bulletined pursuant to Article 9.9. However, if such vacancies do occur, the incumbent on the affected position may, at the discretion of the Company, be required to remain on the position until an appointment is made pursuant to Articles 9.9 and 9.20.

5.4.1 Except as may be otherwise arranged locally, the meal period shall not be less than thirty (30) minutes, or more than one hour. The meal period shall be exclusive of the time required to travel to and from meal location.

Note: See Attachment “H”

5.4.2 Where employees are working on an eight (8) and/or ten (10) hour continuous shift, only twenty (20) minutes shall be allowed for lunch, and without deduction in pay.

5.4.3 When meal period is allowed it will be between the ending of the fourth hour and the beginning of the seventh hour after starting time, unless mutually otherwise arranged locally.

5.4.4 If the meal period is not provided within such time limit and is worked, it will be paid for at one and one-half times the pro rata rate of pay and twenty (20) minutes without deduction in pay, in which to eat, shall be afforded at the first opportunity.

Added new clauses as follows:

5.6 Notwithstanding the provisions of Article 5.1, the starting time and rest days for employees in S&C Construction crews, may be established or changed to meet the requirements of the service. When such changes are to be made, as much advance notice as possible, but not less than seventy-two (72) hours, shall be given to the S&C construction crew affected and, where practicable, the notice will be posted promptly in a place accessible to such employees. When such changes are made, crews will be advised of the duration of the change, which will not be longer than one month, but may be extended due to operational requirements. The General Chairman and/or his designate will be consulted prior to effecting these changes

5.6.1 In the establishing or changing the schedules of employees in S&C Construction as per Article 5.6, the availability of public transportation will be considered where practicable.

5.7 Any changes as per Article 5.6 of employees in S&C Construction is subject to employees being afforded eight (8) hours rest between shifts.

5.8 The periods of advance notice in respect of changes in schedule contained in Clause 5.7 hereof may, by mutual consent between the employees affected and their immediate supervisor, be reduced in any particular situation to meet local conditions.

5.9 Employees' time in S&C construction will start and end at a designated point.

9. Article 6 Overtime – CA 11.6

Article 6 of Agreement 11.6 will be amended by renumbering 6.5 to 6.5.1 and further to include the following new Article 6.5.2:

“6.5.2 When there is planned work that will exceed three hours the most senior employee in the classification will be called and if available will do the overtime work, if not available the next employee on the seniority list will be called until the work is filled.”

The parties agree that in determining who is “available”, factors similar to those set out in the TMD 7.08 Collective Agreement apply.

10. Article 7 in CA 7.08 and Article 15 in CA 11.6

Amend the respective Collective Agreements to change the Day after New Years (January 2) to reflect Ontario's holiday of Family Day and add language: "In the event the federal government regulates an additional statutory holiday; the Company must, on 30 days' notice in writing to the Union, substitute family day for the new federal statutory day."

Amend Article 15.3 (b) to read: "shall be given an advance notice of four calendar days or more ..."

11. Hiring process for TMD's

See Attachment "G"

12. Article 9 of CA 11.6 and 3C of CA 7.08:

a. Amend Article 9.9 of CA 11.6 to read as follows:

9.9 (a) Bulletins on maintenance will show headquarters, classification, hours of duty, qualifications required whether positions are temporary or permanent, and if temporary the anticipated duration. Appointments will be made by the officer issuing the bulletin before the expiration of twenty-eight (28) calendar days from the date of bulletin. Copies of bulletins will be furnished to the System General Chairman and/or Designate.

(b) Bulletins on S&C construction crews will show crew number and general duties, headquarters, classification, hours of duty, qualifications required whether positions are temporary or permanent, and if temporary the anticipated duration. Appointments will be made by the officer issuing the bulletin before the expiration of twenty-eight (28) calendar days from the date of bulletin. Copies of bulletins will be furnished to the System General Chairman and/or Designate.

b. Amend 9.21(d) to change the minimum of 180 days to a "maximum" of 180 days.

c. Delete existing Article 9.18 of CA 11.6 and Article 3 c) of CA 7.08 and replace with the following new language:

"Employees now filling or promoted to an official or excepted position with the Company and employees elected as Representatives of the employees covered by this Agreement (who shall be considered as on leave of absence), will be continued on the seniority list for the group or groups in which they had previously established seniority, and will continue to accumulate seniority while so employed.

An employee who is promoted on or after January 1, 1979 to a permanent non-schedule, official, or excepted position with the Company, or its subsidiaries, shall continue to accumulate seniority on the seniority list from which promoted for a period of eighteen (18) months. Following that period in such capacity, such employee(s) shall no longer accumulate seniority but shall retain the seniority rights already accumulated up to the date of their promotion. (If an employee is promoted to and is working a temporary position which becomes permanent, the date of promotion shall be the date originally promoted to the temporary position).

An employee, after having been released from an official or excepted position, must exercise their seniority in accordance with (a) or (b) below. Failure to exercise their seniority within thirty (30) days of their release shall result in forfeiture of seniority.

- (a) An employee who has accepted an official or excepted position may voluntarily revert to the ranks within the first eighteen (18) months of holding such position by displacing the junior employee in the highest classification to which his seniority and qualifications entitle him to work.
- (b) An employee who is released from an official or excepted position because of staff reduction or demotion must either bid on a vacant position for which there is no successful applicant from the bargaining unit or displace a junior employee in the highest classification to which his seniority and qualifications entitle him to work.
- (c) An employee required to fill an official or excepted position on a temporary basis for a period not exceeding one year, when released, will return to their regular position unless it has been abolished or filled by a senior employee in the exercise of displacement rights in which event the returning employee will also exercise their displacement rights

The appropriate General Chairman and appropriate Local Representative shall be advised when employees are promoted to temporary official or excepted position and the expected duration thereof. In the case that employees are promoted to a temporary official or excepted position and later to a permanent position, the General Chairman will also be advised of such change.

Note: Employees presently covered under the terms of this article on permanent assignments and who elect to maintain seniority in the bargaining unit will be required on a continuous basis to pay sustaining dues according to the Bylaws of the CSCSC#11 of the I.B.E.W. Failure to do so will result in being permanently removed from the seniority list.

Employees newly promoted to a permanent official or excepted position must within sixty (60) days from date of promotion elect to pay sustaining dues or failing to do same will result in being permanently removed from the seniority list, this payment to be retroactive to the date of ratification.

In all cases, notification must be given to the appropriate General Chairman in writing.”

Note: Not for inclusion as part of the collective agreement, the following will govern current supervisors.

As per date of ratification an employee in an official or excepted position covered under collective agreement 7.08 and 11.6 will have his seniority frozen if he has been in such a capacity for a period of eighteen months. Supervisors on the seniority list as of the date of ratification will have 60 days from the date of ratification to elect to remain on the seniority list and commence paying sustaining dues or be removed from the seniority list. Supervisors who elect to pay sustaining dues and remain on the seniority list will pay dues retroactive to the date of ratification of this agreement.

13. Article 10 of CA 11.6 and Appendix F of CA 7.08 Discipline and Grievances

The Parties agree to amend Article 10.3 of CA 11.6, and Appendix F 5D of the 7.08 to include that where copies are requested, hard copies and/or electronic copies will be provided.

14. Article 15 (c) of CA 7.08

Amend the article to increase the TMD trainer allowance to \$40 dollars.

15. ARTICLE 16.1 of CA 11.6 and 20(b) of CA 7.08 Bereavement leave

Revise second paragraph 16.1 of CA 11.6 and Article 20(b) of CA 7.08 (3 days leave provision) to read,

“Upon the death of an employee’s stepchild, grandparent, grandchild, father-in-law, mother-in-law, step-brother or step-sister, the employee shall be entitled to three (3) days’ bereavement leave without loss of pay provided they have not less than three (3) months’ cumulative compensated service...”

16. Appendix B of CA 11.6 training

Replace Appendix B of CA 11.6 with the letter contained in Attachment “D”.

17. Appendix I of CA 11.6

Replace with letter on technician trainee (previously signed LOU by the parties) with attachment “E”.

18. Appendix J of CA 11.6 and Appendix J of CA 7.08

Replace Appendix J with attachment “F”

19. Appendix K of CA 11.6 and Appendix L of CA 7.08

Wage rate tables to be updated as part of collective agreement rewrites.

20. House Keeping CA 11.6 Article 2.6

Amend to read the following:

Assistant Signal Maintainer or Assistant Signal Mechanic

General

The Company will undertake the responsibility of printing the new collective agreement including all benefits and other supplements within 60 days of ratification. The Company will provide all new employees with a copy of the Collective Agreement upon being hired.

The foregoing changes are in full and final settlement of all requests served by either party signatory hereto on or subsequent to September 1, 2014. Unless amended by the terms of this Memorandum of Settlement the Collective Agreement including Appendices remains unchanged.

The Agreement shall remain in full force and effect until December 31, 2014, and thereafter, subject to a 120-day notice in writing by either party to this Agreement to revise, amend, or terminate it. Such notice may be served at any time subsequent to September 1, 2014 unless otherwise specified herein.

This Memorandum of Settlement is subject to ratification by the Union and the Company and the provisions herein shall become effective on the first day of the month following such ratification by the Union, or as otherwise indicated.

SIGNED AT TORONTO, ONTARIO, this 5th day of July , 2012.

For the Joint Managers

For the Union

F. O'Neill
Director of Operations, TTR

B.J. Strong
Senior General Chairman,
CSCSC#11 of the I.B.E.W.

Myfanwy Marshall
Senior Manager, Labour Relations
For: Joint Managers

R.A. Hewson
General Chairman
CSCSC#11 of the I.B.E.W.

Lindsay Maltby
HR Coordinator, TTR

S. Pedota
Regional Representative
CSCSC#11 of the IBEW

George Huggins
Senior Manager, Construction, TTR

Attachment "A"

July 5, 2012

Mr. Brian J. Strong
Senior General Chairman
Canadian Signal And Communications System Council #11
Of the International Brotherhood of Electrical Workers
Box 1388
Fort Qu'Appelle, Saskatchewan.
S0G 1S0

Dear Mr. Strong,

POST-RETIREMENT HEALTH CARE PLAN

The parties specifically agree that granting of the Post Retirement Health Care Plan shall not form part of, or be interpreted as part of the Collective Agreement.

Effective 6 months following ratification or as soon as administration systems are in place, the Company will establish a Post-retirement Health Care Plan for the payment of post-retirement health care benefits. The provisions of the Plan are summarized below:

Eligibility Conditions

An active employee shall be eligible to apply for post-retirement health care benefits if that active employee satisfies all minimum eligibility conditions:

- Employee must be active on or subsequent to January 1, 2012. For greater clarity, this includes active employees who are in receipt of short- and long-term disability benefits, maternity, parental, compassionate care leaves or on a union office leave as of ratification date.
- Employee must retire from the Company and start receiving immediate pension payments from the TTR Pension Plan on or after January 1, 2012
- Employee must be at least age 55 at the time of retirement
- Employee must have a minimum of 85 points* at the time of retirement

Employees who have been severed (including bridged under Article 7 of the ESIMA, who would be eligible as of date of retirement) under any separation agreement prior to January 1, 2012 are not eligible to participate in this plan. Employees who retire on or after attaining age sixty-five (65) are also not eligible.

*Sum of age plus Pensionable Service as defined in the TTR Pension Plan. For greater clarity, the same Pensionable Service that is used to calculate an employee's pension under the TTR Pension Plan will be used to calculate benefits payable under this plan.

Post-retirement Health Care Benefit

An employee who satisfies the above eligibility conditions will be entitled to receive a fixed, annual post-retirement health care benefit. The amount of the annual post-retirement health care benefit will vary based on service in excess of 15 years. The annual benefit amount shall be calculated as follows:

- \$35 per year of Eligible Service for employees with at least 85 points at the time of retirement

Eligible Service is defined as years of Pensionable Service at the time of retirement in excess of 15 years. The maximum Eligible Service is 20 years and the maximum annual benefit is \$700. For e.g.:

| | |
|------------------------------------|-------------------------------|
| Age at retirement: | 55 |
| Pensionable Service at retirement: | 32.5 |
| Points at retirement: | 87.5 |
| Eligible Service at retirement: | $32.5 - 15 = 17.5$ |
| Annual benefit amount: | $17.5 \times \$35 = \612.50 |

Form and method of Payment

Upon retirement, the Company will set up a Health Care Spending Account (HCSA) for eligible employees. The annual post-retirement health care benefit will be allocated to the employee's HCSA directly on a monthly basis.

The monthly allocations will begin on the first of the month following retirement and cease on the first of the month following attainment of age 65. For greater clarity, the monthly allocations to the employee's HCSA will cease upon reaching age 65 regardless of the start date. For e.g., an employee retires on October 15th of a given year, the monthly allocations will start on November 1st of that year (the annual benefit amount payable during the first year is adjusted by a factor of 0.25 (or 3/12 months)).

Administration fees related to the HCSA will be paid for by the Company. Provincial Retail Sales Taxes, where applicable, will be charged to the HCSA.

The HCSA will be subject to the rules of the Income Tax Act. Amounts allocated to the employee's HCSA can only be used to pay for eligible medical expenses as defined under the Income Tax Act. The Company will work with the selected vendor to provide the most efficient benefits delivery.

Survivor Benefits

In the event the eligible employee dies while in receipt of post-retirement health care payments, the surviving spouse, if any, shall be entitled to 55% of the member's post-retirement health care benefit. The reduced benefit (55% survivor benefit) will be paid to the surviving spouse in the same form and until the same date at which the employee's benefit would have ceased (when the deceased employee would have attained age 65). The surviving spouse, if any, shall be the same surviving spouse as for pension purposes.

Attachment "B"

July 5, 2012

Mr. Brian J. Strong
Senior General Chairman
Canadian Signal And Communications System Council #11
Of the International Brotherhood of Electrical Workers
Box 1388
Fort Qu'Appelle, Saskatchewan.
S0G 1S0

Dear Mr. Strong,

This has reference to the matter of pass transportation benefits presently applicable to employees of Toronto Terminal Railways Company (TTR) represented by your respective organization, and the status of this benefit as to its future application on trains operated now and in the future by VIA Rail Canada Inc.

This will confirm that the matter of pass transportation benefits has been resolved on the basis that, subject to the demands of the traveling public, the present pass policies on TTR will be maintained for employees represented by you who were in the service of TTR on or prior to March 13, 1979, until the time notices are served on or subsequent to September 1, 2014, and thereafter until the provisions of Section 89 of part I of the Canada Labour Code have been complied with or until some other mutually satisfactory resolution of this matter is agreed.

Employees are required to return unused VIA Rail tickets to avoid unnecessary costs to TTR. Employees, who do not return unused tickets, will be notified their transportation privileges will be subject to suspension pending the return of unused tickets to the Company, within 30 days. Where timely notification is not received by TTR, individual transportation privileges will be suspended and the IBEW Representative will be notified.

For the purpose of this letter, the word "employees" includes pensioners.

Yours truly,

Myfanwy Marshall
For : Joint Managers

Attachment "C"

July 5, 2012

Mr. Brian J. Strong
Senior General Chairman
Canadian Signal and Communications System Council #11
Of the International Brotherhood of Electrical Workers
Box 1388
Fort Qu'Appelle, Saskatchewan.
S0G 1S0

Dear Mr. Strong,

This has reference to the discussions held during the course of the contract negotiations to renew Collective Agreement 11.6, pertaining to the issue of the creation of a new classification within the Bargaining Unit.

When an additional job or classification is created, the wage rates for such are fixed in conformity with wages already agreed to for similar ones, or they are fixed by mutual understanding between the Employer and the Union.

Failing agreement, the appropriate wage rate may be referred to arbitration.

Your signed concurrence will signify that this reflects our understanding concerning the application of such new classification as it affects TTR employees governed by Collective Agreement 11.6.

Yours truly,

I Concur:

Ms. Myfanwy Marshall
For : Joint Managers

Mr. Brian J. Strong
SGC CSCSC#11 of the IBEW

Attachment "D"

July 5, 2012

Myfanwy Marshall
Senior Labour Relations Officer CN
1 Administration Road, P.O. Box 1000
Concord Ontario L4K 1B9
Canada

Dear Ms. Marshall:

This will confirm our discussions held during this round of bargaining of the Union's and Company's interest in developing and implementing an improved training program for Signals employees.

The Union agrees that it will participate in the development and implementation of the new training program. The committee developing the program shall include up to two local union representatives and two members of management. Other employees may be asked for input or to participate. The development and implementation of the new training program will be done within the first six months following the ratification of the Collective Agreement.

If the foregoing accurately reflects your understanding of this matter, please indicate your concurrence in the space provided below and return one executed copy to me for my records.

Respectfully yours,

Brian J. Strong
Senior General Chairman
Canadian Signal and Communications
System Council No. 11 of the I.B.E.W.

I concur,

Myfanwy Marshall
Senior Labour Relations Officer

Attachment "E"

July 5, 2012

Mr. Frank O'Neill
Director of Operations
50 Bay Street Suite 1400
Toronto Ontario,
M5J 3A5

Dear Sir;

This has reference to discussions we have had in the negotiations at the end of 2011 with respect to the TTR's proposal regarding the desirability of undertaking a special arrangement to training new Technicians. As a result of these discussions we advance the following agreement.

- 1) When the Company requires Technician Trainees, a notice will be posted advising all employees. Employees who submit written application will be required to state their qualifications for consideration and their seniority date. Employees will be evaluated as per Article 9.21a of the Collective Agreement to determine the applicant's potential in becoming a qualified S & C Technician. Any dispute concerning the selection of a Technician Trainee will be referred to the Steering Committee for final determination.
- 2) An employee selected as a Technician Trainee shall be paid the applicable rate of pay for the position he holds. After the first two months the Technician Trainee will have his wage increased to 96 percent of a Technicians pay.
- 3) In the event that there is no successful applicant for a Technician Trainee, the Company may hire a new employee. The System General Chairman shall be notified.
- 4)
 - a. A Technician Trainee will be allowed 90 working days to demonstrate his potential to meet the necessary requirements. During this 90-day period, if it is determined that such employee will be unable to become a qualified S & C Technician his training will be terminated and he will be returned to his former position.
 - b. In the case of employees having been assigned to such positions by bid, they will retain their rights to return to their former permanent position.
 - c. Employees may not voluntarily terminate training; however, in the event the employee does request either permanent or temporary termination, each case will be considered on its own merit. In the event an employee is permitted to terminate training for a temporary period due to illness or extraordinary personal circumstances, reinstatement as a Technician Trainee shall be at the discretion of the Company.
- 5) A Technician Trainee's period of training will vary depending on the progress in learning and will be monitored by the Steering Committee. When the Company determines that a Technician Trainee is required to enroll into classes conducted by an approved training agency or correspondence course, it will pay the required tuition costs, the costs of necessary text books and instructional literature. Alternatively, the Company may provide such employee with home training material in order that he gains the necessary technical knowledge of his trade.
- 6) Technician Trainees will not have their training interrupted as a result of staff reductions. In such circumstances the most junior employees who have not been selected as Technician Trainees will be laid off.

- 7) A Trainee who fails any training-related test twice and claims he did not have a proper test may appeal the decision under the provisions of the Grievance Procedure commencing at the last step.
- 8) A Technician Trainee who does not have Maintainer's seniority will be accorded the appropriate seniority date and rate of pay at the time a Helper or Assistant Maintainer who is junior in seniority to the Technician Trainee acquires such seniority.
- 9) The Technician Trainee Program will be in effect for a period of 12 to 18 months. During this period, the Trainees will be required to fulfill training assignments.
- 10) Technician Trainees will be monitored throughout the training program to ensure that they are progressing in accordance with training standards. They will be kept informed of their progression by their immediate supervisor and properly notified in writing when it is discovered that they are experiencing difficulties in certain aspects of the training program.
- 11) The training period for Technician Trainees may be extended in cases where such candidates have demonstrated steady progression which was interrupted as a result of illness, workmen's compensation injuries, or extraordinary personal circumstance beyond their control. The steering committee will review such cases and have the discretion to extend the training period for the same amount of days that the Trainee lost in order to complete the training.
- 12) Upon successful completion of the Technician Trainee Program the employees will be issued a certificate stating they have successfully qualified as S&C Technicians. They will only establish seniority in the classification of S&C Technician upon being awarded a permanent position as such. They will also be entitled to bid on all positions in line with their seniority.

This Memorandum of Agreement shall remain in effect until the expiration of the current Collective Agreement December 31, 2014 subject to cancellation on 30 days notice in writing.

If this meets your understanding please indicate your agreement with the above by signing in the space provided for below.

Respectfully yours,

Brian J. Strong

I agree

Senior General Chairman
Canadian Signal and Communications
System Council #11 of the IBEW

Frank O'Neill
Director of Operations TTR

Appendix to Attachment E

NOT FOR PUBLICATION IN THE COLLECTIVE AGREEMENT

July 5, 2012

Mr. Brian J. Strong
Senior General Chairman
Canadian Signal and Communications System Council #11
Of the International Brotherhood of Electrical Workers
Box 1388
Fort Qu'Appelle, Saskatchewan.
S0G 1S0

Dear Mr. Strong,

During the negotiations in late 2011 - 2012, the parties discussed the testing that is referenced in the Technician Trainee program set out in Attachment E of the Memorandum of Settlement for the renewal of the collective agreement dated July 5, 2012. In this letter at Attachment E of the MOS, it states that employees will be evaluated as per Article 9.21(a) which provides for an electronics qualifications test in certain circumstances.

The Union will participate with the Company in a review of the electronics qualifications test as referred to in Article 9.21(a) and provide input to the Company on that test. This review will be done prior to December 31, 2012.

Yours Truly,

Frank O'Neill
Director of Operations

Attachment "F"

Replace APPENDIX "J" – 7.08 & 11.6 Agreements.

July 5, 2012

Mr. Brian Strong
Senior General Chairman
Canadian Signal & Communications System Council #11
Of the International Representative of Electrical Workers
P.O. Box 1388
Fort Qu'Appelle, Saskatchewan
S0G 1S0

Dear Mr. Strong:

During negotiations the Company expressed a concern in regards to the banking of overtime. As settlement to this issue, the Union is agreeable to the following conditions which will take effect immediately.

1. Employees wishing to bank time must declare their intentions in writing to the proper officer of the Company once the overtime has been worked.
2. A maximum of forty (40) hours in the first four (4) months of a calendar year, and a maximum of forty (40) hours in the following seven (7) months will be permitted; for a total maximum of eighty (80) pro rata hours in any calendar year. The hours accumulated in the first four (4) months of the year, maximum forty (40), must be taken by July 31. The hours accumulated within the next seven (7) months, maximum forty (40), must be taken prior to the end of the calendar year.
3. Accumulated hours must be taken during the calendar year in which they are accrued.
4. Overtime worked during the month of December will not be accrued and will be paid.
5. On General Holidays, only punitive overtime hours associated with the General Holiday will be allowed to be banked.
6. The time at which employees will be permitted to take time in lieu from the accumulated hours will be mutually agreed between the Director of Operations (or his delegate) and each employee such time not to be unreasonably withheld. However, the final determination will be at the discretion of the Director of Operations according to the requirements and exigencies of the service.

Unless otherwise authorized by the Director of Operations, banked time must be taken in blocks of five (5) or ten (10) days.

At the discretion of the Director of Operations, any banked time not taken may be carried over to the following year or paid out in a lump sum payment.

The Director of Operations may postpone or cancel this Banked Time Agreement if it is found to be an administrative burden or if it is determined that there is insufficient field to permit employees to

take accumulated bank time. The Company agrees to hold discussions with the Union prior to invoking this cancellation clause.

If you agree that the above properly reflects the understanding reached during our discussions, please indicate by signing this letter in the appropriate space provided below.

Yours Truly,

Frank O'Neill
Director of Operations

I CONCUR

Brian Strong
Senior General Chairman
Canadian Signal and Communications
System Council #11 of the IBEW

Attachment "G"

July 5, 2012

Myfanwy Marshall
Senior Labour Relations Officer CN
1 Administration Road, P.O. Box 1000
Concord Ontario L4K 1B9
Canada

Dear Ms. Marshall:

During negotiations both parties expressed their issues with the hiring process of Train Movement Directors, the union agrees to the following:

- 1) In September of every year the Company shall send out a bulletin asking for employees to express their desire to become Train Movement Directors (TMD).
- 2) The employees applying for these positions will be kept on a list for a period of twelve months, this list will be supplied to the General Chairman and/or his designate.
- 3)
 - i) Employees who have expressed a desire to become a TMD under paragraph 1 must write a qualifying test set by management. The Union will be consulted for input to the test.
 - ii) If an employee does not pass the qualifying test, he or she will not remain on the list. The employee will be provided the test results and suggestions for improvement by a Human Resources representative, if requested.
 - iii) When a vacancy is declared in the course of the 12 month period, those IBEW members who have passed the qualifying test (i.e. are on the list) proceed in the hiring process. Article 3 applies.
- 4) If no qualified IBEW members, for other company employee's company service shall serve as next qualifier.
- 5) In instances where there are no qualified employees the Company will have the option to hire a new employee.
- 6) During the implementation process of this new procedure the Union will have a representative attend the full testing of candidates, once this is achieved a Union representative will be present during the interview process.

The Company recognizes the importance and value of consistency in the hiring process. The Company therefore agrees when a vacancy exists, the same questions shall be asked of each applicant proceeding through the hiring process and that there shall be the same number of people on the panel for each interview.

If the foregoing accurately reflects your understanding of this matter, please indicate your concurrence in the space provided below and return one executed copy to me for my records.

Respectfully yours,

I concur

Brian J. Strong
Senior General Chairman
Canadian Signal and Communications
System Council No. 11 of the I.B.E.W.

Myfanwy Marshall
For: Joint Managers
Toronto Terminal Railways

This will not form part of the Collective Agreement.

Attachment "H"

LOU

July 5, 2012

Mr. Brian J. Strong
Senior General Chairman
Canadian Signal and Communications System Council #11
Of the International Brotherhood of Electrical Workers
Box 1388
Fort Qu'Appelle, Saskatchewan.
S0G 1S0

Dear Mr. Strong,

This has reference to the discussions held during the course of the contract negotiations to renew Collective Agreement 11.6, pertaining to the issue of the travel time for the meal period as found in the new Article 5.4.1 therefore increasing productivity as requested by the company.

Employees in S&C Construction, as part of their preparation work at the beginning of their shift, will drop their lunches off at an appropriate lunch location that's closest to their work for that particular day.

Your signed concurrence will signify that this reflects our understanding concerning the new Article 5.4.1 in Collective Agreement 11.6.

Yours truly,

I Concur:

Ms. Myfanwy Marshall
For: Joint Managers
Toronto Terminal Railways

Mr. Brian J. Strong
SGC CSCSC#11 of the IBEW

Attachment "I"

July 5, 2012

Mr. Brian J. Strong
Senior General Chairman
Canadian Signal and Communications System Council #11
Of the International Brotherhood of Electrical Workers
Box 1388
Fort Qu'Appelle, Saskatchewan.
S0G 1S0

Dear Mr. Strong,

This has reference to the discussions held during the course of the contract negotiations to renew Collective Agreement 11.6 and 7.08.

Both parties will meet at minimum quarterly to review and monitor the impact of agreement on the employees and the operation. Additionally, the application of this agreement will be closely monitored by the General Chairman and the Director of Operations with the objective of resolving issues prior to becoming formal grievances.

Yours truly,

I Concur:

Ms. Myfanwy Marshall
For: Joint Managers
Toronto Terminal Railways

Mr. Brian J. Strong
SGC CSCSC#11 of the IBEW

Letter Outside of the Collective Agreement
Not for Publication in the Collective Agreement

July 5, 2012

Mr. Frank O'Neill
Director of Operations
50 Bay Street Suite 1400
Toronto Ontario,
M5J 3A5

Dear Mr. O'Neill,

Further to the negotiations and changes to Article 9.18 of the collective agreement with regard to supervisor seniority, supervisors who have held an official or excepted position for more than eighteen (18) months cannot revert to the bargaining unit ranks voluntarily. An employee who has held an official or excepted position for more than 18 months and wants to voluntarily return to the bargaining unit (not by demotion or staff reduction as per Article 9.18(b)) would be placed at the bottom of the seniority list.

Yours,

A handwritten signature in purple ink, appearing to read "Brian Strong", with a large, stylized flourish extending from the end of the signature.

Brian Strong
Senior General Chairman
Canadian Signal and Communications
System Council #11 of the IBEW