

Re-route Agreement Due to the Closure of the Sarnia Tunnel
Sarnia, Port Robinson, Toronto South

Temporary Agreement between CN Rail and the Teamsters Canada Rail Conference (LE and CTY) for the movement of Sarnia trains via Port Robinson to Toronto South

The Parties agree that due to the derailment and blockage of the Sarnia Tunnel that the following will apply until such time as the Sarnia Tunnel is re-opened for through freight trains and/or either Party exercises their right to cancel this Agreement in its entirety.

All Sarnia Pool assignments excluding the Train 330 assignments, will be collapsed and employee will be placed in a chain gang type operation operating under the first-in, first-out concept. The Company will take a snapshot of all Sarnia Pool assignments prior to the collapsing of the pools and all pools will be re-established immediately upon the re-opening of the Sarnia Tunnel. Any employee(s) at the time of re-establishment of the pools who misses a trip, will be compensated constructive miles to and from the away-from-home terminal.

All present Port Robinson Assignments will remain unchanged.

Sarnia – Port Robinson – Toronto South – Port Robinson – Sarnia

1. When available, Port Robinson Spareboard employees will man all trains between Port Robinson - Toronto South and Toronto South – Port Robinson.
2. Port Robinson employees who desire to make spare trips will notify the crew supervisor of their intent and will be called on a rotational basis from the AV list. This will remove the Company's requirement to canvass employees to fill vacancies.
3. In the event that the Port Robinson Spareboard becomes exhausted and there is no one available on the AV list, and there are no Toronto South employees at Port Robinson under the provisions of paragraph 4 herein, a Sarnia Road and/or Spareboard employee will be called to work Sarnia – Port Robinson – Toronto South.
4. In the event that there are no Port Robinson employees available at Toronto South for a train destined to Port Robinson, a Toronto South Road Spareboard employee will be called.
5. If a Toronto South Spareboard employee is used under paragraph 4 herein, the Toronto South crew can be called for a return train to Toronto South ahead of a Port Robinson crew.
6. If there are no Port Robinson employees available for a train to Toronto South, and a there are no Toronto South employees available in Port Robinson under paragraph 4 herein, a Sarnia Road and/or Spareboard employee will be called in combination service Sarnia to Port Robinson to Toronto South.
7. If there are no Port Robinson employees or Toronto South employees available at Toronto South for a Train destined to Port Robinson, a Sarnia Road and/or Spareboard

employee will be called. Sarnia employees called to work a train from Toronto South to Port Robinson will be deadheaded to Sarnia.

8. All trains ordered Toronto South to Sarnia will be manned by Sarnia Road and/or Spareboard employees.
9. The provisions of Article 18 of Agreement 4.16 and Article 25 of Agreement 1.1 will apply to all crews held in Port Robinson and Toronto South
10. Sarnia Road and/or Spareboard employees will be ordered in combination service, Sarnia – Port Robinson – Toronto South and will be paid 297 road miles in addition to all other earnings made for the trip (i.e. Initial, final, DC's, PE, etc.). The same applies for the return trip from Toronto South - Port Robinson – Sarnia.
11. Sarnia and/or Toronto South employees held in Port Robinson waiting for a train will be paid held time from the time the taxi/train arrives until the time they depart Port Robinson
12. Port Robinson and Toronto South employees operating between Port Robinson and Toronto South will be paid 111 road miles in addition to all other earnings made for the trip (i.e. Initial, final, DC's, PE, etc.).
13. Sarnia, Port Robinson and Toronto South Road and/or Spareboard employees will not be tied up between terminals. It will be at the Company's option to either deadhead employees to the away-from-home terminal (Toronto South) in which case the employee will be entitled to all the constructive miles from the point relieved to the away-from-home terminal over and above all other earnings made for the trip, or return the employees to their home terminal in which case the employee would be entitled to all constructive miles over and above all other earnings made for the trip from the point relieved to the away-from-home terminal and return to the home terminal.
14. Employees used on a short turn out of the away-from-home terminal to rescue a re-routed train will be deadheaded to their respective home terminal at the completion of the short turn.
15. There will be no mixing of crews; i.e. a conductor from one terminal working with a locomotive engineer from another terminal or visa versa, unless there is no one available at call time.
16. Any employee not qualified on any subdivision(s) will be provide a pilot upon request. No unqualified employee will be required to operate over unfamiliar territory. Employees will be afforded three (3) complete round trips.
17. All CTY Road Service and Spareboard Employees in Sarnia and Port Robinson and Toronto South Spareboard will be guaranteed no less than 1075 miles per week at Conductor through freight rates of pay.

18. All Locomotive Engineers in Road and Spareboard Service in Sarnia, Port Robinson and Toronto South will be guaranteed no less than 950 miles per week at Locomotive Engineer through freight rates of pay.

Establishment of two (2) Road Switcher Assignment and one (1) Relief Road Switcher Assignment with a 12-hour day

19. The Parties agree to establish two temporary Road Switcher assignments and one temporary relief Road Switcher assignment at the terminal of Port Robinson.
20. These three Road switcher assignments will, as a condition of the assignment, forgo their right to book rest after the 10th hour. In other words, these three assignments will work a 12-hour day.
21. The Company will ensure that these assignments are relieved and off duty in Port Robinson by the 12th hour.
22. These three (3) Road switcher assignments only duties will be to transfer re-routed trains between Buffalo and Port Robinson. These assignments will not be used to perform any other duties. The only switching that will be required is in connection with their own train.
23. These three Road switcher assignments will be scheduled to work 5 days per week and will be guaranteed 8 hours straight time rates and 4 hours at overtime rates for each shift.
24. The Relief assignment will be scheduled to relieve the two regular assignments days off and will be paid consistent with paragraph 23 herein.
25. In recognition of the employee's inability to book rest they will be paid an addition 3 hours at straight time rates per day as a stand-alone claim.
26. All provisions of the respective Collective Agreements apply unless specifically modified herein.
27. This Agreement is subject to a 12-hour cancelation by either party without reason.
28. This Agreement will not be relied upon by either Party for any reason other than the closure of the Sarnia Tunnel and only for the time frame intended.

Re-route Agreement Due to the Closure of the Sarnia Tunnel
Sarnia, Windsor, London

Temporary Agreement between CN Rail and the Teamsters Canada Rail Conference (LE and CTY) for the movement of Sarnia trains via Windsor to London.

The Parties agree that due to the derailment and blockage of the Sarnia Tunnel that the following will apply until such time as the Sarnia Tunnel is re-opened for through freight trains and/or either Party exercises their right to cancel this Agreement in its entirety.

All Sarnia Pool assignments excluding the Train 330 assignments, will be collapsed and employee will be placed in a chain gang type operation operating under the first-in, first-out concept. The Company will take a snapshot of all Sarnia Pool assignments prior to the collapsing of the pools and all pools will be re-established immediately upon the re-opening of the Sarnia Tunnel. Any employee(s) at the time of re-establishment of the pools who misses a trip, will be compensated constructive miles to and from the away-from-home terminal.

Sarnia – Windsor – London – Windsor – Sarnia

1. When available, Windsor Road and/or Spareboard employees will man all trains between Windsor – London and London - Windsor.
2. Windsor employees who desire to make spare trips will notify the crew supervisor of their intent and will be called on a rotational basis from the AV list. This will remove the Company's requirement to canvass employees to fill vacancies.
3. In the event that the Windsor Road and Spareboard becomes exhausted, a Sarnia Road and/or Spareboard employee will be called to work Sarnia – Windsor – London and if a return movement is expected within 14 hours of their off duty time in London, they may be held for the return train, and if no return train is expected or a Windsor crew is available in London for the return movement the Sarnia crew will be deadheaded to Sarnia.
4. The provisions of Article 18 of Agreement 4.16 and Article 25 of Agreement 1.1 will apply to all crews held in London.
5. Sarnia Road and/or Spareboard employees will be ordered in combination service, Sarnia – Windsor – London and will be paid 269.5 road miles in addition to all other earnings made for the trip (i.e. Initial, final, DC's, PE, etc.). The same applies for the return trip from London – Windsor – Sarnia.
6. Sarnia Road and/or Spareboard crews released in London and not held for a return movement to Windsor will be deadhead to Sarnia and compensated a basic day at Conductor or Locomotive Engineer through freight rates depending on the service performed.
7. Sarnia crews held in Windsor waiting for a train will be paid held time from the time the taxi arrives until the time they depart Windsor.

8. Sarnia Road and/or Spareboard employees will not be tied up between terminals. It will be at the Company's option to either deadhead employees to the away-from-home terminal (London) in which case the employee will be entitled to all the constructive miles from the point relieved to the away-from-home terminal over and above all other earnings made for the trip, or return the employees to their home terminal in which case the employee would be entitled to all constructive miles over and above all other earnings made for the trip from the point relieved to the away-from-home terminal and return to the home terminal.
9. There will be no mixing of crews; i.e. a conductor from one terminal working with a locomotive engineer from another terminal or visa versa, unless there is no one available at call time.
10. Any employee not qualified on any subdivision(s) will be provide a pilot upon request. No unqualified employee will be required to operate over unfamiliar territory. Employees will be afforded three (3) complete round trips.
11. All CTY Road Service and Spareboard Employees in Sarnia and Windsor, will be guaranteed no less than 1075 miles per week at Conductor through freight rates of pay.
12. All Locomotive Engineers in Road and Spareboard Service in Sarnia and Windsor will be guaranteed no less than 950 miles per week at Locomotive Engineer through freight rates of pay.
13. All provisions of the respective Collective Agreements apply unless specifically modified herein.
14. This Agreement is subject to a 12-hour cancelation by either party without reason.
15. This Agreement will not be relied upon by either Party for any reason other than the closure of the Sarnia Tunnel and only for the time frame intended.

Sarnia Tower Traffic Coordinators (4.2)

Local Agreement re: 12-hour shifts

The purpose of this local agreement is to create 12-hour shift schedules within the confines of the 4.2 collective agreement, taking seniority, vacation and hourly wage rates into account.

The following document outlines adjustments to the current 4.2 collective agreement that apply solely to the Tower Traffic Coordinators at Sarnia. All articles found in the 4.2 Collective Agreement remain with the exception to the following items:

1. RATES OF PAY

- 1) The rates of pay are outlined in agreement 4.2 shall remain unchanged. Employees holding these positions will be paid their existing hourly rate for their 12-hour shift.
- 2) The rates of pay outlined in agreement 4.2 shall remain unchanged: day shift (0700) and night shift (1900).

NOTE: Day shift will not receive a premium rate and night shift will receive the posted night shift premium.

- a) **NEW** – When a spareboard Traffic Coordinator called to fill a vacancy, that employee will be paid straight time rates up to the guarantee of 40 hours. Once the guarantee maximum is reached, the spareboard will be paid OT as required i.e. 3 shifts at straight time (36 hours), 4th shift paid 4 hours at straight time and 8 hours at OT rate.
 - b) **NEW** – When an employee other than a spareboard Traffic Coordinator is called to fill a vacancy, that employee will be paid for the initial 8 hours at straight time rates and all remaining hours beyond the first 8 will be paid at time and one half.
 - c) **NEW** – When a spareboard Traffic Coordinator has worked 40 hours in the same week, any additional hours will be paid at overtime rates for that week.
- 3) **NEW** – If a regularly-assigned Tower Traffic Coordinator employee is off sick or on leave his/her pay will be reduced by 12 hours at the applicable hourly rate for his/her block.
 - 4) Employees called to work an extra shift on their days off will be compensated at time and one half for the entire shift.
 - 5) Employees bidding onto another block will do so at straight time rates and will not be compensated at overtime rates.

- 6) Relief employees filling vacation allotments will be compensated on an hourly rate applicable to the block they are filling.

2. SCOPE

Item 2 remains as per Agreement 4.2

3. WORK WEEK / HOURS OF SERVICE

- 1) Twelve consecutive hours shall constitute a work day.
- 2) Traffic Coordinators who report for duty for a regular or extra assignment shall be allowed a minimum of twelve hours' pay, for which twelve hours' service may be required, unless they lay off of their own accord, in which event they shall be allowed actual time worked at pro-rata rate.
- 3) As per agreement 4.2
- 4) When two assignments for Traffic Coordinators are worked in continuous service covering the twenty-four hour period, the starting time of the first of such assignments will be 0700 hours, the second 1900 hours.
- 5) When Traffic Coordinators' regular assignments are canceled, except on general holidays, the employee will be paid a workday's pay.
- 6) The term "work week" for regularly assigned Traffic Coordinators shall consist of 12-hour shifts and will work 84 hours in a pay cycle (14 days). The work week shall commence at the starting time of the employee's first regular assigned shift. All time worked in excess of 80 hours will be paid at overtime rates.

Items 4.7 through 4.11 remain as per Agreement 4.2

4. BULLETINING / FILLING POSITIONS

Items 4.1 and 4.2 remain as per Agreement 4.2

- 3) Temporary vacancies shall be advertised by local Management to the Terminal, to take effect on the first day of the work week. A temporary vacancy is defined as a vacancy which is determined to be in excess of three or more working days and less than ninety (90) days duration.

Items 4.4 through 4.12 remain as per Agreement 4.2

5. RELIEF ASSIGNMENTS

This article no longer applies at Sarnia.

6. EXCHANGE OF SHIFTS

- 1) Upon the prior concurrence of the proper officer of the Company in charge of the yard, regularly assigned Traffic Coordinator or Assistant Coordinators may be permitted to exchange shifts temporarily in the same yard and within the same class of service subject to the following:

- a) The maximum allowable exchanges shall be limited to 6 per month
- b) Item b as per Agreement 4.2

7. OVERTIME

Item 7 remains as per Agreement 4.2

8. REST

- 1) Provided two hours notice is given, Traffic Coordinators may have rest after twelve hours on duty.
- 2) Traffic Coordinators are not permitted to double-through to work a second shift however may be required to work up to 16 hours in one shift.

NOTE: If rest is booked in accordance with item 8.1 above, employees will not be held past the time the rest is due to commence.

- 3) As per Agreement 4.2
- 4) Rest under this article must be booked in even hours and shall not be less than three hours nor more than twelve hours, exclusive of call time. Once booked, rest may not be changed or cancelled.

NOTE: Employee must be available to work the following tour of duty in the same block.

Items 8.5 and 8.6 remain as per Agreement 4.2

9. – 17. remain as per Agreement 4.2

18. GENERAL HOLIDAYS

- 1) As per Agreement 4.2
- 2) In order to qualify for pay on any of the holidays specified in paragraph 18.1, an employee shall have completed 30 days of continuous employment relationship and in addition:
 - a. As per Agreement 4.2
 - b. Shall be entitled to wages for at least 6 (six) 12-hour shifts or tours of duty during the 30 calendar days immediately preceding the general holiday;

Items 18.2 (c) through (e) remain as per Agreement 4.2

Items 18.3 through 18.5 remain as per Agreement 4.2

- 6) An employee qualified under paragraph 18.2 hereof and who is required to work on a general holiday shall be paid, in addition to the pay provided in paragraph 18.5 hereof at a rate equal to one and one-half times the pro-rata of pay for the actual time worked by him on that holiday; a shift is 12-hours.
- 7) Shifts or tours of duty commencing between 0001 hours and 2359 hours, both inclusive, on the general holiday specified in paragraph 18.1 or this article shall be considered as work on that holiday.

Items 8.8 through 8.10 remain as per Agreement 4.2

19. VACATIONS

Items 19.1 through 19.23 as per Agreement 4.2

- 24) NEW – A block of three days will constitute a week of vacation for regularly assigned employees.
- 25) Employees will not be subject to duty on their assigned days off prior to or following their scheduled vacation.
- 26) Employees will be limited to 4 consecutive blocks off at a given time.
- 27) Vacation schedule will be developed and agreed to locally, by the Supervisor and Local Chairman.

20. – 22. Remain as per Agreement 4.2

23. ATTENDING COURT

As per Agreement 4.2

24. – 30. remain as per Agreement 4.2

31. INTERPRETATION OF AGREEMENT

As per Agreement 4.2

32. – 35. remain as per Agreement 4.2

36. GENERAL and DURATION OF AGREEMENT

- 1) As per Agreement 4.2
- 2) NEW – This agreement will be put in place on a trial basis for 30 days.
- 3) NEW – After the 30-day trial period, the Company and Union will meet to determine if the 12-hour schedule will remain, if adjustments are needed or if the agreement will cease.

- 4) NEW – This local agreement may be cancelled within 30-days notice from either party. If this agreement is cancelled, it is agreed that the Traffic Coordinator schedules will revert to the original 8-hour schedule.

Items 37. – 42. Remain as per Agreement 4.2

Signed this 8th day of December, 2011.

X 

Derrick Colasimone
Assistant General Manager

PER AGM

X 

Kevin Grove
Local Chairman, TCRC-CTY Samia

X 

Suzanne Fusco
Labour Relations Manager

X 

James Robbins
General Chairman, TCRC-CTY Central

Letter of Understanding between the Canadian National Railway Company and the Teamsters Canada Rail Conference with respect to the establishment of a Traffic Coordinator's spareboard for the Terminal of Sarnia ON.

The following terms and conditions will apply with respect to the operation of a Traffic Coordinator's spareboard for the Terminal of Sarnia:

1. Employees who hold a position on the Traffic Coordinator spareboard must be qualified to work all Traffic Coordinator positions within the terminal of Sarnia
2. The Traffic Coordinator spareboard will be regulated by the Company with input from the respective Local Chairman or his/her delegate.
3. The Traffic Coordinators spareboard will be adjusted effective each Monday at 0800 hours.
4. When the number of positions on the Traffic Coordinators' spare board are increased the employees on the preference list will be canvassed, in seniority order, to determine if they wish to go to the Traffic Coordinators' spare board. Employees declining to go to the spare board will lose their preference entitlement until the next change of timetable. If there are an insufficient number of employees electing to go to the spare board the junior qualified employee will be assigned. The names of the qualified employees will be placed in order of their seniority on the bottom of the spare board.

Upon the effective date of this Letter of Understanding the Company will, by bulletin, advertise the Traffic Coordinator preference list to all Sarnia Traffic Coordinators', and thereafter, at each change of card. The senior Traffic Coordinator making application to the preference list will be assigned.

5. In the event that the spareboard calls for a reduction of employees, such reduction(s) will take effect at 0001 Monday.
6. Employees assigned to the Sarnia Traffic Coordinator spareboard will be entitled to a guarantee payment equal to 10 tours of duty, at the tier 3 rate of pay, for each 14 day period, or portion thereof, that an employee is assigned to the spareboard.
7. Employees on the spare board may work any 5 days in their work week, their days off need not be consecutive and those who work 5 straight-time shifts in less than 5 calendar days will be considered as having completed their 5-day work week.
8. Such guarantees will be reduced by 1/10th of the guarantee payment for each calendar day or portion thereof on which the employee is not available for duty or for each call missed. Employees missing more than 2 calls in the 14 day period will not be entitled to any guarantee.

9. In the event that the spareboard becomes depleted and a vacancy(s) exists, Article 4.12 of Agreement 4.2 will be utilized to fill all such vacancies.

NOTE: Traffic Coordinator Preference List. All Spare Board vacancies will be filled from the preference list, as per Item #4 above. Spare Board vacancies will not be bulletined as per Article 4 of Agreement 4.2.

This Letter of Understanding is subject to a 30 day cancellation by either party.

Signed this 5th day of July, 2011

Derrick Colasimone - per Pte 65h5 Kevin Grove

Derrick Colasimone
Assistant General Manager CN Rail

Kevin Grove
Local Chair, TCRC Sarnia

Approved by:

Suzanne Fusco

Suzanne Fusco
Labour Relations CN Rail

James M. Robbins

James M. Robbins
General Chairman TCRC, CTY



Labour Relations
Suite 802, 277 Front St. West
Toronto, Ontario
M5V 2X7

9 March, 1995

Our File: 8300-252

Mr. M.P. Gregotski
General Chairperson
Canadian Council of Railway
Operating Unions
Country Square
516 Garrison Rd., Unit 5
Fort. Erie, Ont., L2A 1N2

Mr. C. Hamilton
General Chairman
Canadian Council of Railway
Operating Unions
2855 Kingston Road
Scarborough, Ont., M1M 1N3

Mr. W.G. Scarrow
General Chairperson
Canadian Council of Railway
Operating Unions
486 North Christina Street
Upper Level
Sarnia, Ont., N7T 5W4

Gentlemen:

This has reference to our meetings and negotiations concerning the Company's material change notice dated 14 October 1994, served pursuant to Article 78 of Agreement 1.1 and 79 of Agreement 4.16, to effect changes in train operations in conjunction with the opening of the newly constructed St. Clair River Tunnel.

The parties agree that the following items will represent full and final settlement of employee adverse affects associated with the change and that the following principles will form the basis of a final document:

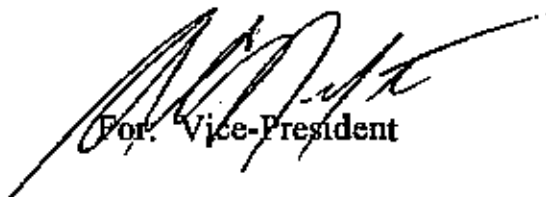
1. Six early retirement separation opportunities, or, enhanced severance opportunities will be made available to eligible employees at Sarnia. The six opportunities will be distributed equally between the B.L.E and the UTU.

2. Four early retirement separation opportunities, or enhanced severance opportunities will be made available to eligible employees at Windsor. The four opportunities will be distributed equally between the B.L.E and the UTU.
3. Four early retirement separation opportunities, or enhanced severance opportunities will be made available to eligible employees at London. The four opportunities will be distributed equally between the B.L.E and the UTU.
4. The early retirement separation, or enhanced severance opportunities identified in items 1, 2 & 3, will be offered to the above locations on a one time basis. Should any of the opportunities referred to in items 1, 2 & 3, not be used, such opportunities will cease to exist.
5. Details with respect to the calculation of the early retirement separation allowance, and the calculation of the enhanced severance amounts are attached as Appendix "1".
6. Maintenance of Earnings protection will be provided to eligible affected employees at Sarnia, London and Windsor. The terms and conditions defined in the Award concerning the L.C.S. material change dispute will apply with the exception that the parties agree that the Maintenance of Earnings protection period will be three years instead of five years and all other conditions of the award will apply.
7. Relocation benefits will be provided to eligible affected employees at Sarnia, London and Windsor, in keeping with the terms and conditions defined in the Arbitration Award concerning the L.C.S. material change dispute.
8. The Company will provide the Council with a letter regarding the applicability of Addendum 5 of Agreement 4.16 and Addendum 34A of Agreement 1.1.
The letter referred to is attached as Appendix "2"
9. The Company will provide the Council with a letter regarding calling of Sarnia crews at the away from home terminal.
The letter referred to is attached as Appendix "3"

10. It is understood that local traffic, i.e., Sarnia traffic destined for Port Huron, or vice-versa is Yard work.
11. It is agreed that the implementation date for operational changes surrounding the opening of the St. Clair River Tunnel may begin as early as 3 April 1995, possibly on a phased in basis. In this regard, the Company will advise the General Chairpersons and Local Chairpersons 7 days in advance of any change regarding abolishments or setting up pools/assignments required for this change.
12. The issue on rehabilitation is resolved on the basis that the Company and the Council will meet to discuss the matter locally. Should the parties be unable to reach agreement, the Council may progress the matter to Arbitration under the provisions of Article 79 of Agreement 4.16, within 60 days of the first meeting.


Please acknowledge your concurrence with the above by signing and returning the attached copy of this letter.

Yours truly




For: Vice-President


I CONCUR:



M. Gregotski
General Chairperson/Rd



C. Hamilton
General Chairman



G. Scarrow
General Chairperson/Yd

APPENDIX 1

Separation Plan

1. (a) An employee who is at least 55 years of age and whose age and years of service total at least 85 will be entitled to a monthly separation allowance payable until age 65 (or time of death if earlier) which, when added to their company pension under the 1959 Plan, will give such an employee an amount equal to the following percentage of average annual earnings over such employee's best 5-year period:

| Years of Service at time employee opts for retirement | Percentage amount as defined above |
|---|---------------------------------------|
| 35 and over | 80% |
| 34 | 78% |
| 33 | 76% |
| 32 | 74% |
| 31 | 72% |
| 30 | 70% |
| 29 | 68% |
| 28 | 66% |
| 27 | 64% |
| 26 | 62% |
| 25 or less | 60% |

- (b) Eligible employees, as defined in clause (a) above, may elect, in lieu of the monthly allowance, a lump sum payment which will be equal to the current value of such monthly separation allowance payment calculated on the basis of a discount rate of 10% per annum.

NOTE: In the application of this Plan, an eligible employee who is not a member of the CN 1959 Pension Plan will receive the monthly separation allowance or the lump sum payment which will be calculated on the assumption that such employee did belong to the 1959 Pension Plan. Such employee will receive the payments due them in accordance with paragraphs (a) or (b) minus any pension payments which would have been due to them had they been a member of the 1959 Pension Plan.

2. Eligible employees, as defined in Clause 1, who elect payment as provided in Clause 1:
- (i) shall be entitled to have their group life insurance coverage continued until age 65 and paid for by the Company;
 - (ii) shall be entitled at age 65 to a life insurance policy, fully paid by the Company, in an amount equal to that in effect in Agreements 1.1 and 4.16.
3. Eligible employees will make application for benefits under the provisions of this Plan to the District Superintendent.
4. Applications from eligible employees will be processed on the basis of their earliest seniority date under the respective collective agreements.
5. The number of retirement opportunities available under this article shall not exceed the number of positions abolished as a result of the St. Clair Tunnel notice.
6. The separation plan will be made available to employees who have worked at a location for two years.

APPENDIX 1

Severance Payment

Optional Lump Sum Severance Payments

- (a) The Company shall offer an optional lump sum severance payment to employees who have worked at a location for two years, using the following formula:
 - (1) 20 years or more cumulative compensated service: \$60,000;
 - (2) 12 to 19 years, inclusive, cumulative compensated service: \$55,000;
 - (3) 8 to 11 years, inclusive, cumulative compensated service: \$50,000.
- (b) An additional lump sum severance payment of \$15,000 will be made to employees who voluntarily elect to terminate their employment within 90 days of the offer being announced.
- (c) Employees with 20 years or more cumulative compensated service who are within 5 years of eligibility for early retirement at the time they accept this severance, will have their life insurance and extended health care benefits continued until they reach age 65.
- (d) Employees with 8 years to 19 years, inclusive, cumulative compensated service will have their life insurance and extended health care benefits continued for a period of six months from the date of their severance.
- (e) Employees may elect, at their option, to receive the severance payment in two instalments over a 13 month period.



Labour Relations
Suite 802, 277 Front St. West
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9 March, 1995

Our File: 8300-252

Mr. M.P. Gregotski
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Gentlemen:

This has reference to our meetings and negotiations concerning the Company's material change notice dated 14 October 1994, served pursuant to Article 78 of Agreement 1.1 and 79 of Agreement 4.16, to effect changes in train operations in conjunction with the opening of the newly constructed St. Clair River Tunnel.

During our negotiations the Council expressed concern that the operational changes at Sarnia with regard to the opening of the St. Clair River Tunnel will in some manner affect the future intent and applicability of Addendum 5 of Agreement 4.16 and Addendum 34A of Agreement 1.1.

This will confirm that the changes being made as a result of the Company's notice regarding the St. Clair River Tunnel opening will not affect the future intent and applicability of the Addenda referred to above.

In short, Addendum 5 of Agreement 4.16 and Addendum 34A of Agreement 1.1 will remain in effect.

I trust this addresses the concerns expressed by the Council.

Yours truly



For: Senior Vice-President - East