



February 14, 2015

Doug Finnon
President TCRC
1710-130 Rue Albert Street
Ottawa, ON K1P 5G4

Dear Sir:

This letter is with reference to the approaching legal strike/lockout deadline, which is currently 0001 EST Sunday, February 15, 2015.

In order to commence a safe, phased approach to staging traffic across the system in the event of a strike/lockout, the parties agree to the following:

Unassigned Service:

1. Employees in unassigned service that have commenced duty prior to 23:00 EST on February 14, 2015 will be responsible for completing their tour of duty, which may include operating to their objective terminal and/or securing their train at the designated location.
2. At the completion of their tour of duty and for those who operate their train to the objective location or away from home terminal, the Company will provide transportation back to their home terminals.

Assigned Service:

1. Employees in assigned service who are scheduled to commence duty prior to 23:00 EST ~~Sunday~~, February 14, 2015 will be required to report for duty.
2. Assignments in the terminal will be released at 0001 and assigned road crew enroute will complete their tour to the destination terminal.

In all cases, pay will cease when employees in assigned service are released.

Exception:

In the event of a derailment or other related emergent situation and employees are on duty, they will remain on duty until the site and equipment is secured. At such time, the responsible manager will release these employees.

Employees Under Temporary Relocation Agreements:

With regard to employees who are temporarily relocated under the auspices of Temporary Relocation Agreements at the time of a strike/lockout, the Company will cover the cost of accommodation for the initial 7 days. Thereafter, the Company will review the cost of accommodation.



M W Becker
Assistant Vice-President
Labour Relations

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If the above accurately reflects your understanding, please provide your concurrence by signing in the space below.

Yours Truly,

Myron Becker
AVP, Labour Relations

I concur,

Doug Finson
President TCRC