

AGREEMENT 28.2

Between

CANADIAN NATIONAL RAILWAY COMPANY

And

**CANADIAN NATIONAL RAILWAYS
POLICE ASSOCIATION**

Respecting

Rates of Pay and Rules

Effective January 1, 1998

(Version française disponible sur demande)

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ARTICLE 1

Recognition and Scope

1.1 Pursuant to the certification order of the Canada Labour Relations Board issued September 25, 1974, the Company recognizes the Canadian National Railways Police Association as the sole collective bargaining agent for a unit comprising all employees of the Canadian National Railway in its Police Department across Canada classified as Sub-Inspector, Investigator, Special Agent (unclassified) and Special Agent and such other ranks or classes of employees as may be agreed upon by the parties, **excluding** Special Agents acting as Office Manager responsible for administration in the office of the Chief, CN Police, in Montreal and the office of each Superintendent in the Atlantic Region, the St. Lawrence Region, the Great Lakes Region, the Prairie Region and the Mountain Region, and one Special Agent in the Special Branch (acting as bodyguard to the President).

ARTICLE 2

Definitions

2.1 For the purpose of this Agreement :

- (a)** "Employee" means a member of the CN Police Department covered by the scope of this Agreement.
- (b)** "Company" means Canadian National Railways.
- (c)** "Association" means the Canadian National Railways Police Association.
- (d)** A "schedule" position means a position coming within the scope of this Agreement.
- (e)** An "excepted" position means a position which is excluded from the scope of this Agreement.
- (f)** "Qualifications" means the ability, skill, experience and fitness which must be fulfilled prior to an employee being assigned to a position.
- (g)** "Qualified employee" means an employee possessing qualifications as described in (f) above.

ARTICLE 3

Employees' National Executive

3.1 The National Executive or its representatives delegated by it shall represent all employees governed by this Agreement in matters pertaining to rates of pay, working conditions and all other questions which arise respecting the application or interpretation of the provisions of this Agreement.

ARTICLE 4
Rates of Pay

4.1

(a) Effective April 1, 1991, positions of Lieutenant shall be reclassified to that of Special Agent and in consideration therefor, the following provisions will apply and existing rules or practices which are in conflict therewith will not apply:

(i) positions covered by this Agreement will be bulletined as Special Agent;

(ii) employees who were working as Special Agents under Agreement 28.2 prior to April 1, 1991 will continue to retain prior bidding rights, i.e. they will continue to hold seniority rights over employees appointed to a position of Special Agent on or after April 1, 1991.

(b) Employees hired into the Special Agent classification on or after January 1, 1998 will be compensated as follows:

EFFECTIVE	January 1, 1998	
Weekly	Hourly	
\$		\$
Starting rate	500.00	12.500
After 9 months CCS	568.84	14.221
After 1 year CCS	627.69	15.692
After 2 years CCS	725.77	18.144
After 3 years CCS	823.84	20.596
After 4 years CCS	921.93	23.048
After 5 years CCS	1048.62	26.215

EFFECTIVE	January 1, 1999	
Weekly	Hourly	

\$		\$
Starting rate	510.00	12.750
After 9 months CCS	580.22	14.505
After 1 year CCS	640.24	16.006
After 2 years CCS	740.29	18.507
After 3 years CCS	840.32	21.008
After 4 years CCS	940.37	23.509
After 5 years CCS	1069.59	26.739

	EFFECTIVE	
	January 1, 2000	
Weekly	Hourly	
\$		\$
Starting rate	520.20	13.005
After 9 months CCS	591.82	14.800
After 1 year CCS	653.04	16.330
After 2 years CCS	755.10	18.880
After 3 years CCS	857.13	21.430
After 4 years CCS	959.18	23.980
After 5 years CCS	1090.98	27.275

(c) Employees assigned to a Special Agent classification on or prior to December 31, 1997 will be compensated as follows:

EFFECTIVE		
Weekly	January 1, 1997	
	Hourly	
	\$	\$
Special Agent		
1st year	938.28	23.460
2nd year	1003.33	25.082
After 2 yrs.	1028.06	25.694

EFFECTIVE		
Weekly	January 1, 1998	
	Hourly	
\$		\$
.	1048.62	26.215

EFFECTIVE		
Weekly	January 1, 1999	
	Hourly	
\$		\$
	1069.59	26.739

EFFECTIVE		
Weekly	January 1, 2000	
	Hourly	
\$		\$
1090.98	27.275	

NOTE: If an employee is laid off, such lay-off period will be excluded in the computation of the periods specified above.

4.2 Overtime worked will be computed in increments of 15 minutes.

Example: 1 hour and 10 minutes will be computed as 1 hour and 15 minutes; 1 hour and 20 minutes as 1 hour and 30 minutes, etc.

4.3 The hourly rate for a weekly-rated employee is computed by dividing the weekly rate by 40.

4.4 Employees will be paid every other Thursday.

4.5

(a) Employees who work a shift (or part shift in the case of an unassigned employee) of which the greatest number of hours worked falls between 1400 hours and 2159 hours shall be paid a shift differential of 49 cents per hour for all hours worked by them on that shift (or part shift in the case of an unassigned employee);

(b) Employees who work a shift (or part shift in the case of an unassigned employee) of which the greatest number of hours worked falls between 2200 hours and 0559 hours shall be paid a shift differential of 55 cents, per hour for all hours worked by them on that shift (or part shift in the case of an unassigned employee).

4.6

(a) Payment of Service Pay shall be on the basis of \$80.00, per year for each five-year period of continuous service for those employees holding a permanent position under Agreement 28.2 prior to April 1, 1991.

NOTE: In computing "continuous service" for the Service Pay purposes, service for the Company under this Agreement or another Agreement represented by the Association will apply. A transfer of six months or less under

the provisions of paragraphs 11.9 and 11.11 will not constitute a break in "continuous service" under this Article.

(b) Service Pay shall be paid in one yearly instalment, on the first pay day in December, together with regular earnings.

ARTICLE 5

Uniforms

5.1 Employees governed by this Agreement shall be required to perform their duties in civilian clothes or in uniform as the Company may direct. When required under proper authority to work in civilian clothes, an employee shall receive an allowance of \$3.00 for each day so worked. The Company shall pay for any clothing damaged while in the performance of duty except in cases of personal negligence.

5.2 Uniform equipment will be furnished free of charge when deemed necessary by the Company. Employees shall be required to take precautions to preserve uniform equipment in order that it may present a good appearance at all times, and to ensure maximum service. Alterations or repairs will be effected when required.

5.3 Uniform equipment shall not be worn when employees are not on duty except from and to employees' homes when commencing or leaving duty if the employees so desire.

5.4 Any piece of uniform or equipment damaged, lost or stolen in the course of duty shall be replaced as soon as practicable at the expense of the Company except in cases of employee negligence.

5.5 All equipment furnished by the Company remains the property of the Company and shall be produced by employees when required for inspection. Upon leaving the service, employees shall return the last complete uniform and all equipment before receiving final settlement of wages due.

5.6 Effective January 1, 1999, an allowance of \$14 and effective January 1, 2000, an allowance of \$15 for cleaning will be provided for every month in which work is performed. The allowance will be paid in two installments, the first installment will be paid on the first pay day in June and the second installment will be paid on the first pay day in December. Receipts may be required in individual cases.

5.7 Employees shall be measured and fitted with uniform equipment during their tour of duty. The Department will designate the time and place for uniform fittings, as required.

(Refer to Addendum No. 1)

ARTICLE 6

Hours of Service and Overtime

6.1 All employees will work in unassigned hours service. Eight hours shall constitute a basic day or tour of duty and such hours shall be consecutive unless otherwise required to meet the demands of the service; forty hours shall constitute a week's work. All employees will be allowed 30 minutes for lunch without deduction in pay, but must be available for immediate service during such period.

6.2 Employees of the Special Service Branch will arrange their own daily and weekly hours of work when employed away from their home location.

6.3 Intentionally Left Blank

6.4 If and where required, duty rosters will be prepared and posted 72 hours prior to their effective date and will show tours of duty and starting times. Such duty rosters will cover a 4-week period and will include all tours of duty commencing 0001 hours on Sunday, up to and including 2359 hours on the fourth Saturday thereafter.

6.5 Intentionally Left Blank

6.6 As the nature of the service performed by employees in unassigned hours service may necessitate an irregular distribution of their tours of duty and hours of work, the principle of averaging hours of work over an eight-week period will apply, in accordance with the following:

(a) Employees shall be paid a basic salary for each two-week period, i.e. twice the weekly rate shown in paragraph 4.1.

(b) Hours worked and credited for a consecutive eight-week period will be totalled to determine time worked and

credited in excess of 320 hours (40 hours x 8 weeks). Employees may be required to liquidate, on an on-going basis during an eight-week averaging period, hours worked in excess of 8 in any basic day or tour of duty and in excess of 40 in any work week. The Company will make every reasonable effort, subject to operational requirements and not incurring additional overtime, to accommodate employees as to the period of time during which such hours will be liquidated. Hours in excess of 320 not liquidated within the averaging period will be paid at time and one-half.

(c) Except for cases of paid sick leave, employees who do not fulfill their assignments will be paid for hours worked and credited, if less than 80, in any two-week period. For each day in which an employee has no earnings, 8 hours will be deducted from the eight-week aggregate (320 hours) for purposes of computing overtime.

(d) Pay adjustments will be due and payable on the second pay period after the eight-week period.

(e) When an employee is directed to work extra hours at derailments, he/she will receive pay for this work at time and one-half rates on a current basis, and these hours will not be included in the accumulation of hours under sub-paragraph 6.6 (b).

6.7

(a) Notwithstanding that duty rosters may be prepared and in effect at certain locations, employees may be used off their assignments to meet the demands of the service. Unless otherwise requested by the employee(s) concerned, regular assignments or tours of duty will not be changed in cases of an employee's attendance at court on behalf of the Company or when a General Holiday falls on an employee's rest day.

(b) When employees are taken off their assignments as

shown on the duty roster under the provision of sub-saragraph 6.7 (a), employees will not be required to work more than one short change of shift in one week.

In the situation where employees have a scheduled short change of shift in their assignment as shown on the duty roster, an additional short change of shift will not be required unless the employees have had at least 14 hours rest between short changes, unless mutually agreed.

This provision shall not apply in cases of emergency where there is no other staff available.

6.8 Employees used at an away-from-home location will be credited for actual hours worked with a minimum of eight hours in each 24-hour period.

6.9 Employees used at an away-from-home location will be provided with lodging, meals, and transportation, or reasonable expenses in lieu thereof, in accordance with departmental policy. Where necessary, an advance may be requested to cover expected expenses.

6.10 Where employees are required to lay over at an away-from-home location the following provisions will apply:

(a) employees shall, during such layover, be credited with eight hours for each 24-hour period so held and actual time of up to eight hours for less than a 24-hour period (time to be computed after 16 hours' layover in each 24-hour period). During the period for which they are compensated, employees' services may be utilized if required, and

(b) where required to lay over at an away-from-home location in excess of 72 hours, employees will be credited with one hour for every six in excess of such 72 hours with a maximum of four hours in each twenty-four-hour period.

6.11 An employee directed to travel on passenger trains, freight trains, gas cars, patrol cars or other conveyances, will be considered as on duty. When occupying enclosed sleeping space for the purpose of sleeping, the employee will be compensated at straight time rates. Travel paid at time and one-half will be excluded from the computation of time in sub-paragraph 6.10 (b).

6.12 Employees while employed away from their home terminal shall not receive less than their regular wages when paid under paragraphs 6.8, 6.10 and 6.11.

6.13 Employees required to work overtime for two hours or more continuous with completion of a regular tour of eight hours' duty will be allowed 20 minutes for lunch as soon as practicable without loss of time.

6.14 Where duty rosters are in effect, employees notified, or called to work not continuous with, before, or after an assignment, time paid for travelling or time paid for layover shall be credited with a minimum of 3 hours for 3 hours' work or less. However, employees recalled to service and released within 3 hours after their tour of duty will be credited with hours elapsed as if on continuous duty. The provisions of this Article do not apply to employees whose calls are cancelled within one hour from the time of call. Employees cancelled after one hour from the time of call will be credited with 3 hours and will not be required to perform work for such three hours credited.

6.15 Employees required to attend court as a result of legitimate action taken while on duty shall be governed by the hours of service and overtime provisions of this Article. If the reporting time for court is 2 hours and 30 minutes or less from the termination of the previous shift, such time will be considered continuous. Similarly, if court termination time is 2 hours and 30 minutes or less from the start of the shift, court time will be computed up to the start of the shift.

6.16 The Company will not use its supervisory employees to perform in the normal course any duties usually performed by members of the bargaining unit so as to avoid the overtime provisions of this Agreement or so as to reduce the size of the bargaining unit. It is recognized, however, that in cases of legitimate demands of the service or emergency, the Company may temporarily assign supervisory officers if members of the bargaining group are not available.

6.17 Employees required to attend training classes shall be governed by the hours of service and overtime provisions of this Article except that such employees shall take the rest days of the training course in lieu of their regular rest days.

6.18 The Company may at its discretion offer employees the opportunity of attending courses which require them to be absent from their assigned position and employees who agree to such courses will be provided with lodging, meals and transportation, or reasonable actual expenses in lieu thereof, in accordance with departmental practice and will have their regular salary protected. It is understood by the Company and the Association that there is no entitlement to layover payments, as stipulated in Article 6.10, during such instances.

6.19

(a) Employees who elect to enroll in educational courses will be allowed to use accrued time in periods of 4 hours as conditions permit in order to attend such courses. Employees will provide one week's advance notice.

(b) Employees covered by this Agreement who obtain prior written approval from their Superintendent to undertake special job related courses will be refunded the total cost of tuition upon satisfactory completion of such course.

6.20 The Company may, at its discretion, offer employees

the opportunity to act as Instructor for the Department which requires them to be absent from their assigned position. Employees who agree to do so will be provided with lodging, meals and transportation or reasonable actual expenses in lieu thereof, in accordance with departmental practice and will have their regular salary protected.

(See addendum No. 9)

ARTICLE 7

Rest Days

7.1 Employees shall be granted two rest days in each calendar week which will begin on Sunday and end the following Saturday. Such rest days shall be consecutive unless otherwise required to meet the demands of the service.

7.2 When employees perform work on scheduled rest days, such employees will be credited with hours actually worked under the averaging provisions contained in Article 6, with a minimum of 3 hours for which 3 hours' service may be required; the 3-hour minimum will also apply when employees are paid on a current basis under the provisions of subparagraph 6.6 (e).

7.3 At locations where 5 employees or less are employed, rest days may be staggered to meet the demands of the service with the proviso that at locations where only two or three employees are employed, such employees may not be granted the same rest days.

ARTICLE 8

Bereavement Leave

8.1 An employee may, after having completed a minimum of two months' service, be allowed leave of absence with full pay to a maximum of one week in a calendar year in the event of a bereavement due to the death in the family (parent, employee's spouse, son, daughter, brother, sister, father-in-law, mother-in-law, grandparent, step-father, step-mother, step-brother, step sister) and illness in the family where the employee's presence is required by order of a medical practitioner.

NOTE: In the application of this Article "employee's spouse" means the person who is legally married to the employee and who is residing with or supported by the employee, provided that, if there is no legally married spouse, it means the person that qualifies as a spouse under the definition of that word in Section 2(1) of the **Canadian Human Rights Benefits Regulations**, as long as such person is residing with the employee.

8.2 Extension of leave of absence with pay in excess of the one-week period will be considered only in exceptional cases and will require the approval of the Superintendent.

ARTICLE 9

Vacations

9.1 An employee who, at the beginning of the calendar year, is not qualified for vacation under paragraph 9.2 shall be allowed one working day's vacation with pay for each 25 days' cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 10 working days until qualifying for further vacation under paragraph 9.2.

9.2 Subject to the provisions of Note (1) below, employees who, at the beginning of the calendar year, have maintained a continuous employment relationship for at least 2 years and have completed at least 500 days of cumulative compensated service shall have their vacation scheduled on the basis of one working day's vacation with pay for each 16-2/3 days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 15 working days; in subsequent years they will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under paragraph 9.3.

Note 1 Employees covered by paragraph 9.2 of this section will be entitled to vacation on the basis outlined therein if on their third or subsequent service anniversary date they achieve 750 days of cumulative compensated service; otherwise their vacation entitlement will be calculated as set out in paragraph 9.1. Any vacation granted for which the employees do not subsequently qualify will be deducted from the employees' vacation entitlement in the next calendar year. If such employees leave the service for any reason prior to their next vacation, the adjustment will be made at time of leaving.

9.3 Subject to the provisions of Note 2 below, employees who, at the beginning of the calendar year, have maintained a continuous employment relationship for at least 9 years and have completed at least 2,250 days of cumulative compensated service, shall have their vacation scheduled on the basis of one working day's vacation with pay for each 12-1/2 days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 20 working days; in subsequent years, they will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under paragraph 9.4.

Note 2 Employees covered by paragraph 9.3 of this section will be entitled to vacation on the basis outlined therein if on their tenth or subsequent service anniversary date they achieve 2,500 days of cumulative compensated service; otherwise their vacation entitlement will be calculated as set out in paragraph 9.2. Any vacation granted for which the employees do not subsequently qualify will be deducted from the employees' vacation entitlement in the next calendar year. If such employees leave the service for any reason prior to their next vacation, the adjustment will be made at time of leaving.

9.4 Subject to the provisions of Note 3 below, employees who, at the beginning of the calendar year, have maintained a continuous employment relationship for at least 19 years and have completed at least 4,750 days of cumulative compensated service shall have their vacation scheduled on the basis of one working day's vacation with pay for each 10 days of cumulative compensated service, or major portion thereof, during the preceding calendar year with a maximum of 25 working days; in subsequent years they will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under paragraph 9.5.

Note 3: Employees covered by paragraph 9.4 of this section will be entitled to vacation on the basis outlined therein if on

his their twentieth or subsequent service anniversary date they achieve 5,000 days of cumulative compensated service; otherwise their vacation entitlement will be calculated as set out in paragraph 9.3 Any vacation granted for which the employees do not subsequently qualify will be deducted from the employees' vacation entitlement in the next calendar year. If such employees leave the service for any reason prior to their next vacation, the adjustment will be made at time of leaving.

9.5 Subject to the provisions of Note 4 and Note 5 below, employees who at the beginning of the calendar year, have maintained a continuous employment relationship for at least 28 years and have completed at least 7,000 days of cumulative compensated service, shall have their vacation scheduled on the basis of one working day's vacation with pay for each 8-1/3 days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 30 working days.

Note 4: Employees covered by paragraph 9.5 of this section will be entitled to vacation on the basis outlined therein if on their twenty-ninth or subsequent service anniversary date they achieve 7,250 days of cumulative compensated service; otherwise their vacation entitlement will be calculated as set out in paragraph 9.4. Any vacation granted for which the employees do not subsequently qualify will be deducted from the employees' vacation entitlement in the next calendar year. If such employees leave the service for any reason prior to their next vacation, the adjustment will be made at time of leaving.

Note 5: In the application of paragraph 9.5 the Company will have the option of:

(a) scheduling employees for five weeks' vacation and pay them for the sixth week at pro rata rates; or

(b) splitting the employees' vacation on the basis of five weeks and one.

9.6 Vacation days shall be exclusive of the assigned rest days and the general holidays specified in Articles 7 and 10 respectively.

9.7 Provided an employee renders compensated working service in any calendar year, time off duty account bona fide illness, injury, authorized pregnancy leave, to attend committee meetings, called to court as a witness, not exceeding a total of 100 days in any calendar year, shall be included in the computation of service in that year for vacation purposes on the basis of one such day being granted for each one and one-half days of compensated working service in that calendar year.

9.8 Employees will be compensated for vacation at the rate of the position which they would have been filling during such vacation period.

9.9 Employees terminating their employment for any reason at a time when an unused period of vacation with pay stands to their credit shall be allowed vacation calculated to the date of their leaving the service, as provided for in paragraphs 9.1, 9.2, 9.3, 9.4, and 9.5, and, if not granted, will be allowed pay in lieu thereof.

9.10 Employees who are laid off shall be paid for any vacation due them at the beginning of the current calendar year and not previously taken, and if not subsequently recalled to service during such year, shall, upon application, be allowed pay in lieu of any vacation due them at the beginning of the following calendar year.

9.11 Employees who (1) leave the service of their own accord, (2) are dismissed for cause and not reinstated in their former seniority standing within two years of date of such dismissal, will, if subsequently returned to the service be required to again qualify for vacation with pay as provided in paragraphs 9.1, 9.2, 9.3, 9.4 and 9.5.

9.12 An employee who has become entitled to a vacation with pay shall be granted such vacation within a twelve-month period immediately following the completion of a calendar year of employment in respect of which the employee became entitled to the vacation. The Company shall make every reasonable effort to grant vacations between May 1st and October 15th in each year. For an employee's first choice, he or she may take a maximum of three (3) weeks' vacation consecutive during the summer months of July and August. This article does not apply to locations with one (1) or two (2) employees.

9.13 Applications for annual vacations from employees shall be filled prior to January 31st. (Allocation of vacations in January will be arranged on a regional basis.)

9.14

(a) Applications filed prior to January 31st, insofar as is practicable to do so, will be allotted vacation during the summer season, in order of seniority of applicants, and unless otherwise authorized by the officer in charge, and subject to NOTE (5) of paragraph 9.5, the vacation period shall be continuous. Applicants will be advised in February of dates allotted them, and unless otherwise mutually agreed

employees must take their vacation at the time allotted.

(b) When a scheduled vacation period becomes available, such vacation period shall be allotted to the senior applicant in descending seniority order from the employee vacating that scheduled vacation period.

9.15 Unless mutually agreed, employees who do not apply for vacation prior to January 31st, shall be required to take their vacation at a time to be prescribed by the Company.

9.16 Employees who, while on annual vacation, become ill or are injured, shall have the right to terminate (temporarily) their vacation and be placed on sick leave with pay as outlined in Article 23. Employees who are again fit for duty shall immediately so inform the Company officer in charge and will continue their vacation if within their scheduled dates. If the remaining vacation falls outside the employees' scheduled dates, such vacation will be rescheduled as may be mutually agreed between the proper officer of the Company and the authorized local representative of the Association.

9.17 Employees who, due to sickness or injury, are unable to take or complete their annual vacation in that year shall have the option of carrying such unused vacation over to the following year or receiving pay in lieu of such vacation. Should the employee opt to carry the unused vacation over to the following year, it shall be taken at a time mutually agreed to by the Company and the employee.

9.18 Employees who are entitled to vacation shall take same at the time scheduled. If, however, it becomes necessary for the Company to reschedule employees scheduled vacation dates, they shall be given at least 15 working days' advance notice of such rescheduling and will be paid at the rate of time and one-half their regular rate of wages for all work performed during the scheduled vacation

period. The rescheduled vacation with pay to which they are entitled will be granted at a mutually-agreed-upon later date. Should the Company find it necessary to reschedule an employee's annual vacation it will first discuss the matter with the Regional Representative of the Association with a view to alleviating any serious hardship which might result from such rescheduling. Reasonable expenses incurred, supported by receipts, will be paid by the Company.

9.19 Employees desiring an advance vacation payment must make application for same not later than five weeks prior to commencing their vacation. The advance vacation payment shall be 4% of the employee's previous year's earnings, less an appropriate amount (approximately 30%) to cover standard deductions.

9.20 When employees are required to attend court during their annual vacation as a result of legitimate action taken while on duty, they shall be paid a minimum of one regular day's pay and one day at pro-rata rates for each day so required. In addition, their vacation will be rescheduled on a day for day basis. Reasonable expenses incurred will be paid by the Company in accordance with departmental policy.

9.21 In the application of this Article, it is understood that vacations may be split. When vacations are split, employees will only be allotted a choice of vacation dates for the second split portion after all other employees have been allotted their first choice of vacation dates; and for the third split portion after all other employees have been allotted their second choice of vacation dates and so on.

ARTICLE 10

General Holidays

10.1 An employee who qualifies in accordance with paragraph 10.3 hereof, shall be granted a holiday with pay on each of the following general holidays, including a general holiday falling on an employee's rest day:

All Provinces:

New Year's Day

The day after that on which New Year's Day is observed, except when New Year's Day falls on a Friday this holiday will be observed on the following Monday.

Good Friday

Victoria Day

Dominion Day

Labour Day

Thanksgiving Day

Christmas Day

Boxing Day

All provinces except Quebec and Newfoundland

Civic Holiday (the First Monday in August)

Remembrance Day

Quebec:

Fête Nationale (St. Jean Baptiste Day)

First Monday in August

Newfoundland:

Remembrance Day
Discovery Day

In the event Parliament establishes "Heritage Day" (the third Monday in February of each year) as a statutory holiday this day will be substituted for the First Monday in August in the province of Quebec and for the day after that on which New Year's Day is observed in the other provinces.

If in any Province or part thereof a holiday is more generally recognized than any one of the general holidays specified above the signatories hereto will substitute such holiday therefor in the Province or part thereof. If the signatories hereto fail to agree that such holiday is more generally recognized the dispute will be submitted to arbitration for final decision.

10.2 Intentionally Left Blank

10.3 In order to qualify for any one of the holidays specified in paragraph 10.1, hereof, employees:

(a) must have been in the service of the Company and available for duty for at least 30 calendar days. This subparagraph (a) does not apply to employees who are required to work on the holiday;

(b) must be available for duty on such holiday if it occurs on one of their work days excluding vacation days, except that this does not apply in respect of employees who are laid off or suffering from a bona fide injury or who are hospitalized on the holiday, or who are in receipt of, or who subsequently qualify for, weekly sickness benefits because of illness on such holiday; regularly assigned employees who are required to work on such general holiday shall be given an advance notice of four calendar days, except for unforeseen

exigencies of the service, in which case they will be notified not later than the completion of their shift or tour of duty immediately preceding such holiday that their services will be required;

(c) must be entitled to wages for at least 12 shifts or tours of duty during the 30 calendar days immediately preceding the general holidays. This sub-paragraph (c) does not apply to employees who are required to work on the holiday.

NOTE: Provided that an employee is available for work on the general holiday, absences from scheduled shifts or tours of duty because of bona fide injury, hospitalization, illness for which the employee qualifies for weekly sickness benefits and authorized maternity leave will be included in determining the 12 shifts or tours of duty referred to in this sub-paragraph (c).

10.4 When a general holiday falls on an employee's rest day the employee may elect in writing to accept either an extra day's pay or one day off with pay in lieu thereof at a time mutually agreeable to him/her and the Company.

10.5 A qualified employee whose vacation period coincides with any of the general holidays specified in paragraph 10.1 shall receive an extra day's vacation with pay to which the employee is entitled for that general holiday.

10.6 Employees qualified under paragraph 10.3 and who are not required to work on a general holiday shall be paid eight hours' pay at the straight time rate of their regular assignment.

10.7 Employees who qualify in accordance with paragraph 10.3 and are required to work on a general holiday shall have the option of either being paid for such time worked on a general holiday at time and one-half or taking a day off with pay at a time mutually agreeable to the employee and the Company. Employees may accumulate up to a maximum of

fifty (50) hours off as a result of general holidays.

10.8 For the purpose of paragraph 10.3, shifts or tours of duty commencing on or after 2000 hours on the eve of the general holiday and prior to 2000 hours on the night of the general holiday shall be considered as work on that holiday.

ARTICLE 11

Seniority Groupings

11.1 For the purpose of seniority, all employees shall be grouped as follows:

Seniority Districts	Regions
No. 1	Mountain Region
No. 2	Prairie Region
No. 3	Great Lakes Region
No. 4	St. Lawrence Region
No. 5	Atlantic Region

11.2 Separate seniority lists will be maintained for Special Agents on each seniority district. Should other classifications mentioned in the certification order be introduced, the matter of seniority grouping with respect to such employee(s) will be the subject of negotiation between the parties.

11.3 Seniority Lists will be posted in the respective seniority districts in January of each year. Such lists will show the name, position, location and seniority date of an employee in each group in which such employee holds seniority. Copies of seniority lists will be furnished to the all members of the Employees' National Executive.

11.4 Seniority will date from the date of last permanent entry into the service on a position in a seniority group covered by this Agreement. In the case of employees promoted from one seniority group to another covered by this Agreement, the date of first permanent service in the group to which promoted will apply.

11.5 Except when affected by a reduction in staff and unable to hold a position in their present rank on their basic seniority territory, employees who voluntarily exercise their seniority to a lower rank will forfeit their seniority in the higher rank which they are leaving.

11.6 Employees accepting service in the Special Service Branch will continue to accumulate seniority on the seniority district from which transferred.

11.7 An employee having less than nine months' accumulated work experience in any seniority group covered by this Agreement will be considered as on probation in such group.

11.8 Protests in regard to seniority standing must be submitted in writing. When proof of error is presented by employees or their representatives, such error will be corrected and when so corrected, the agreed upon seniority date will be final. No change will be made in the existing seniority status of an employee unless concurred in by the Superintendent of CN Police and the National Representative of the Region concerned.

11.9 Employees who, while filling a position under this Agreement, are transferred to a position covered by another Wage Agreement not represented by the Association may continue to fill such position for a continuous period of up to six calendar months without loss of seniority, but must return to their former position at, or prior to, the expiration of such six-calendar-month period, provided there is work available for them in their own seniority territory or forfeit their seniority rights under this Agreement.

11.10 Paragraph 11.9 shall not apply to employees who, while holding seniority rights under another Wage Agreement, obtain employment and establish seniority under this Agreement. If such employees, while filling a position under this Agreement, exercise their seniority under the provisions of another Wage Agreement, their names shall be removed from the seniority list. An employee shall not be regarded as having exercised seniority rights when used for emergency service only.

11.11 The names of employees who accept a promotion or transfer from a position covered by this Agreement to a non-schedule position with the Police Department will be continued on the seniority list for the seniority district from which transferred and shall retain their seniority rights and continue to accumulate seniority while so employed. Such persons, when released from non-schedule employment, may within 30 calendar days of such release exercise their rights to any vacant position in their seniority district which they are entitled to under the qualifications and seniority provisions of paragraph 12.1, and failing to do so, shall forfeit their seniority, in which event their names shall be removed from the seniority list.

11.12 Employees who have been discharged and are subsequently returned to the service in a position covered by this Agreement, unless reinstated with their former seniority standing, will only be allowed seniority from the date of their return to the service. Employees who are not reinstated with their former seniority standing within one year of the date of their discharge may only be so reinstated by agreement between the proper officer of the Company and the Employees' National Executive.

11.13 Employees, who, while laid off, accept work under this Agreement in another seniority district will acquire seniority in the new seniority district from the date of appointment therein and shall continue to accumulate seniority in the former seniority district. When recalled to service in their former seniority district, they shall respond or lose all seniority rights in the former seniority district. If they return to the former seniority district when called, their seniority rights in the new seniority district shall terminate.

ARTICLE 12

Bulletining and Filling Positions

12.1 Appointments shall be made by the appropriate officer of the Company on the basis of the applicants' qualifications and seniority. Qualifications being equal, seniority will govern. The applicants' qualifications shall reflect not only the results of promotional examinations in accordance with Article 29, but their skill and ability to perform the work required of the position to be filled in accordance with the provisions of paragraph 12.6.

12.2 Employees will be given opportunities periodically to establish, or improve, their qualifications. Results of all tests and examinations related thereto shall be made known to the employee within thirty days, unless impractical to do so.

12.3 Except for positions in the Special Service Branch, vacancies of a known duration of 90 days or more, which the Company requires to be filled, shall be bulletined in accordance with this Article. Where necessary, vacancies in the Special Service Branch may be filled by employees appointed by the Company from across the System.

12.4 Bulletins shall show location, territory normally covered, classification and rate of pay. Bulletins shall be posted for 14 calendar days in places accessible to all employees affected. Bulletins for points where five employees or less are employed will indicate the territory regularly covered by such positions. Copies of all bulletins issued under this rule shall be furnished to the Local Secretary and National Secretary of the Association.

12.5 Employees desiring such positions will, within the fourteen- calendar-day period specified in paragraph 12.4, forward to the designated officer their applications, in which they will clearly set out their qualifications.

12.6 In the event there are no applications in the seniority district in which the vacancy occurs, the junior qualified employee not regularly assigned in such seniority district will be appointed. In the event there is no junior qualified employee, the position will be offered to the qualified applicants in seniority order from other seniority districts under this Agreement.

In the event there is no senior qualified applicant under this Agreement, the position will be offered to the qualified employees in seniority order from Agreement 28.1 in the seniority district in which the vacancy occurs.

In the event there is no qualified applicant in the seniority district in which the vacancy occurs, the position will be offered to qualified employees in seniority order from other seniority districts under Agreement 28.1. In the event there are no qualified applicants from any seniority district, the Company shall make an effort to qualify applicants from all seniority districts.

Employees appointed to a position on a new seniority district shall be transferred with full seniority but employees so appointed cannot bid for vacancies in their new seniority district until a period of two years has elapsed except that such employees shall be considered senior to and may bid for vacancies ahead of new employees promoted or hired after the effective date of such transfer and ahead of employees similarly transferred after the effective date of such transfer. Simultaneous bulletining of all vacancies in all districts is not required if there is a junior qualified employee, not regularly assigned, available for appointment to the vacancy in the absence of applications.

This Article will not apply in respect of filling a seasonal or temporary position.

NOTE: For positions in seniority district number 5, under

Agreement 28.2, seniority districts numbers 5 and 6 of Agreement 28.1 will be considered as one.

12.7 The name of appointees and their appropriate seniority date shall be bulletined within seven calendar days after the closing date of the bulletin in the same manner as the position was bulletined. Employees who through no fault of their own are not permitted to take over a position to which appointed within 30 days from date of appointment will be paid the rate of the position to which they are appointed if higher than the rate of the position they are filling.

12.8 Employees who are assigned to positions by bulletin must demonstrate their ability to perform the work of the position within a reasonable period of time up to six months. Failing to demonstrate their ability to do the work satisfactorily, they shall be returned to their former position without loss of seniority. If employees are returned to their former position, the Company shall, upon the request of the employees concerned, notify the Association's Regional Representative and shall furnish in writing the reason(s) for the employees' disqualification.

12.9 Employees who are awarded a vacancy of 90 calendar days duration or less may not be permitted to apply for any other temporary vacancy for a period of 90 calendar days from the date of assuming the position or vacancy.

12.10 Employees returning from leave of absence (including bona fide sick leave which extends over the duration of the bulletining period) shall return to their former position or may within 5 calendar days exercise their rights to any position bulletined during such leave of absence, provided they have the qualifications to perform the work. This same provision will apply in the case of employees returning from vacation. Employees thus displaced may exercise their seniority in their seniority district to any position they are qualified to fill.

12.11 Employees released by the Company from service in the Special Service Branch shall exercise their seniority on their former seniority district provided they have the qualifications to do the work. Any employee who requests release from service in the Special Service Branch will not be permitted to displace any regularly assigned employee but will be permitted to apply for any vacancies within his or her group.

12.12 Notwithstanding the conditions prescribed in Article 22 of this Agreement, the Company shall provide the National Representative of the Region and the National Secretary with notification in writing 7 calendar days in advance of any position covered by this Agreement being abolished.

ARTICLE 13

Staff Reduction and Recall to Service

13.1 As much advance notice as possible will be given employees affected when reducing forces.

13.2 When reducing forces senior employees will be retained.

13.3 Employees whose positions are abolished or ones who are displaced may exercise their rights under the qualifications and seniority provisions of paragraph 12.1 to any position in their seniority territory. Employees exercising seniority in accordance with this Article shall, within the five calendar days (excluding vacation days or while on authorized leave of absence) preceding the effective date of the abolishment of their position or displacement, make their choice in writing, and must commence work on the position of their choice within 30 calendar days, failing which they shall forfeit their seniority and their names shall be removed from the seniority list, unless they have been granted an authorized leave for vacation or a bona fide sickness attested to by a physician. The 30 calendar days may be increased by mutual consent between the Regional Representative of the Association and the Superintendent. Employees exercising their seniority under the provisions of this Paragraph must displace or exercise seniority onto a regular position and only thereafter will such employees be allowed to take temporary vacancies and/or temporary positions/ assignments.

Note 1: In the application of the second sentence of paragraph 13.3 above, employees whose positions are abolished or who are displaced as a result of a notice served pursuant to paragraph 22.38 of Article 22, will make their choice in writing within the 15 calendar days following their notification of displacement or of abolishment of their positions, rather than within the five calendar days preceding the effective date of the abolishment of their positions or

displacement.

Note 2: In the application of this paragraph 13.3, employees unable to hold work on their seniority district may displace a junior employee assigned to the special branch from their seniority district. If, however, such employees are not suitable for work in the special branch, the Company may appoint another suitable employee from the seniority district for the special branch.

13.4 The provisions of paragraph 13.3 will apply to employees who are on leave of absence at the time of displacement or abolishment of their positions from the expiry date of such leave of absence.

13.5 To be eligible for recall, laid-off employees must keep the Superintendent of CN Police of the seniority district on which they are employed informed of their current addresses.

13.6 Laid-off employees shall, if qualified, be returned to service in order of seniority when the staff is increased or when vacancies occur in their seniority district.

13.7 Laid-off employees who are not working for the Company must accept recall for any work within the CN Police and, non-scheduled positions, on their seniority district where a vacancy exists. A laid-off employee may refuse recall to a position, without loss of employment, provided that another junior, qualified laid-off employee is available. Employees recalled to temporary non-scheduled positions away from their home location will be entitled to the provisions of Addendum 8.

13.8 A laid-off employee who fails to report for duty after receiving notification by registered letter, or who fails to give satisfactory reason for not doing so within five calendar days of the date of such notification, shall forfeit his/her seniority rights and his/her name shall be removed from the seniority

list.

13.9 During periods of layoff, employees may be required to accept recall for CN Police related training as directed by the Company or they will sever their employment relationship with the Company.

13.10 Subject to the provisions of paragraph 22.1, two years after being laid off, employees who have not been recalled will have their benefits terminated. After two years, such employees will be removed from the seniority list and their employment relationship with the Company will end.

ARTICLE 14

Grievance Procedure

14.1 It is the mutual desire of the parties hereto that complaints of employees shall be adjusted as quickly as possible and preferably before entering the grievance process.

14.2 Any difference between the parties arising from the interpretation, application or alleged violation of this Agreement or involving an employee's unsettled complaint may be taken up as a grievance within 14 calendar days, either by mail or fax, but not by electronic mail. Where applicable, the grievance should state the article(s) upon which it is based. The grievance must be presented in the following manner and sequence:

Step Number One

An employee, who may be accompanied by his/her representative, may present the grievance in writing to the Director Administration - CN Police. The Director or other designated officer will render a decision as quickly as possible but in any case within 14 calendar days after receipt of grievance.

Step Number Two

If the decision of the Director Administration - CN Police or designated officer of the Department is not satisfactory to the employee, an appeal may be made in writing on behalf of the employee by the appropriate representative of the Association to the Chief, CN Police within 30 calendar days after the date the employee receives the decision under Step Number One. The Chief, CN Police or other designated officer shall render a decision in writing within 30 calendar days after the date he/she received the appeal.

Step Number Three

If the decision of the Chief, CN Police is not satisfactory to the employee, an appeal may be made in writing on behalf of the employee by the appropriate representative of the Association to the Assistant Vice-President - Labour Relations within 30 calendar days after the date he/she receives the decision of the Chief, CN Police under Step Number two. The Assistant Vice-President shall render his/her decision in writing within 30 calendar days after the date he/she received the appeal.

14.3 Failing settlement under Step Number Three any differences between the parties, except where an employee has less than six months' service in the department, may be taken to arbitration as provided in Article 15. If no written request for arbitration is received within 30 calendar days after the decision in Step Number Three is given, it shall be deemed to have been settled or abandoned.

14.4 Any difference arising directly between the Association and the Company may be submitted in writing by either party at Step Number Two.

14.5 At any stage of the grievance procedure, including arbitration, the conferring parties may have the assistance of the employee or employees concerned and any necessary witnesses.

14.6 All decisions arrived at between representatives of the Company and representatives of the Association shall be final and binding upon the Company, the Association and the employee or employees concerned.

14.7 Whenever employees are requested to appear at a hearing or requests a hearing on their own behalf for the purpose of answering to their alleged breaking of rules, they may be accompanied by one or two fellow employees who may be accredited representatives of the Association with the

exception of any fellow employee who has notice or was a witness of the alleged breaking of rules. The employee or his/her representatives shall have the right to question attending witnesses in an orderly manner and they shall also be shown sufficient evidence related to the case. The employee shall be given at least three days' notice of such hearing and the reason(s) therefor. The officer conducting the hearing on the Company's behalf shall not be the same officer who was instrumental in reporting the employee for allegedly breaking the rules. In the application of this paragraph, the local President will be provided with a simultaneous copy of all notices for hearings.

14.8 When employees are required to attend a hearing for the purpose of answering their alleged breaking of rules, notes may be taken and recorded during such hearings. The employee(s) will not be asked to sign such documents.

14.9 In connection with investigation of alleged misconduct or the breaking of Company rules, no employee shall be required to submit to a polygraph (lie detector) test.

14.10 Should the employee be exonerated, he/she shall be paid at the schedule rate for any time lost as a consequence of any disciplinary action taken by the Company less any amount earned in other employment. If exonerated and, if at any stage of the grievance procedure, he/she is required by the Company to be away from his/her residence, he/she will be reimbursed upon production of receipts as required in accordance with Company practice for all necessary expenses incurred.

14.11 The time limits as provided in this Article may be extended by mutual agreement.

14.12 An employee held out of service pending investigation will be notified immediately of the reason for such action. The employee will be advised in writing of the reason(s) within

seven calendar days after the date of such suspension. The employee will then be informed in writing of the Company's decision with respect to the alleged irregularity as soon as practicable but in any event within 14 calendar days of said suspension unless such time is extended in accordance with paragraph 14.11.

14.13 An employee's offenses when known by the Company will be brought to his/her attention as soon as appropriate following such occurrences.

14.14 An employee, other than a probationary employee, who is discharged will be informed immediately in writing of the reason(s) for his/her discharge. The Director of CN Police will notify the appropriate National Representative of the Association in writing of the name of the employee and the effective date of the discharge within five calendar days. If the employee considers that he/she has been unjustly treated, he/she may, within 14 calendar days of his/her discharge, submit a grievance in writing through the appropriate member of the Association. Such grievance should set forth the grounds upon which it is made and be submitted at Step Number Two of the grievance procedure. Failing settlement at the grievance procedure, the case may be submitted to arbitration.

14.15 The settlement of a grievance at any stage in the grievance procedure shall not involve retroactive payment in excess of 60 calendar days prior to the date on which the grievance was first submitted in writing.

14.16 Where a grievance other than one based on a claim for unpaid wages is not progressed by the Association within the prescribed time limits the grievance will be considered to have been dropped. Where a decision with respect to such a grievance is not rendered by the appropriate officer of the Company within the prescribed time limit the grievance will be processed to the next step in the grievance procedure.

14.17 When a grievance based on a claim for unpaid wages is not progressed by the Association within the prescribed time limits, it shall be considered as dropped. When the appropriate officer of the Company fails to render a decision with respect to such a claim for unpaid wages within the prescribed time limits, the claim will be paid. The application of this rule shall not constitute an interpretation of the Collective Agreement.

ARTICLE 15

Arbitration

15.1 When either party requests that any grievance regarding the interpretation or alleged violation of the terms or provisions of this Agreement, amendments, supplemental agreements or any unsettled complaint be submitted to arbitration, it shall make such request in writing to the other party of this Agreement. Such requests shall be made within 30 days from the date the decision was received under the final step of the grievance procedure set forth in Article 14.

15.2 The party requesting arbitration shall submit with its request the names of three arbitrators. If the other party does not agree to one of the nominees so proposed, it shall in its turn submit within ten calendar days to the other party a further list of three arbitrators. If the parties can still not agree upon the arbitrator to be appointed, the Minister of Labour shall be requested to select an arbitrator and his/her selection shall be final.

15.3 The decision of the arbitrator shall be rendered in writing to both parties within 30 calendar days of the completion of the arbitration hearings and shall be final and binding upon both parties.

15.4 Each party shall share equally the fee and expenses of the arbitrator.

15.5 The arbitrator shall not make any decision that subtracts from, modifies, rescinds or disregards any term or provision of this Agreement.

ARTICLE 16

Held for Investigation or Company Business

16.1 Employees held for Company's investigations and no responsibility is attached to them in connection with the matter under investigation (i.e., not subject to discipline) or on Company business on the order of the proper officer will, if required to lose time by reason thereof, be paid for time lost. Reasonable expenses for transportation, necessary meals and lodging will be allowed by the Company.

ARTICLE 17

Relief Work and Preservation of Rates

17.1 When employees are temporarily assigned to a schedule position carrying a higher rate than their own, they shall receive the rate paid for the higher position. Employees temporarily assigned to a lower-rated position shall not have their rate reduced.

17.2 A temporary assignment contemplates the fulfillment of all the duties and responsibilities of the position during the time occupied. Assisting a higher-rated employee due to a temporary increase in the volume of work does not constitute a temporary assignment to a higher-rated position.

17.3 The rates of pay for new schedule positions shall be in conformity with the rates of pay for existing schedule positions of similar kind or class.

17.4 Established positions shall not be discontinued and new ones created covering relatively the same class or work for the purpose of reducing the rate of pay.

ARTICLE 18

Service Letters

18.1 Persons entering the service of the Company will within 30 days from date of employment have returned to them all service cards and letters of recommendation which had been taken up for inspection by the Company, except those addressed to or issued by the Company.

18.2 An employee who is dismissed or leaves the service of his/her own accord after giving due notice will, upon request, be given the usual certificate of service and will be paid as soon as possible.

ARTICLE 19

Association Leave

19.1 Members of the National Executive of the Canadian National Railways Police Association shall be granted leave without pay to attend general meetings or other business of the Association. Certain officers and delegates of Local District groups will be granted leave without pay to attend general meetings or other business of the Association. Transportation will be furnished for such purposes in accordance with Company regulations.

19.2 Notices of interest to employees may be posted by the Local or National Executive at all points on the Company's property where employees occupying positions within the scope of this Agreement are employed. A proper notice board shall be supplied by the employees and shall be in keeping with the general furnishings.

19.3 An employee prevented from completing a shift due to a bona fide injury sustained while on duty will be paid for his/her full shift at straight time rates of pay, unless the employee receives Worker's Compensation benefits for the day of injury in which case the employee will be paid the difference between such compensation and payment for his/her full shift.

ARTICLE 20

Association Dues

20.1 The Company shall deduct on the payroll for the "established" second pay period of each month from wages due and payable to each employee coming within the scope of this Agreement an amount equivalent to the uniform monthly dues, subject to the conditions and exceptions set forth hereunder.

20.2 The amount to be deducted shall be equivalent to the uniform, regular dues payment of the Association signatory hereto, covering the position in which the employee concerned is engaged and shall not include initiation fees or special assessments. The amount to be deducted shall not be changed during the term of this Agreement excepting to conform with the change in the amount of regular dues of the Association in accordance with its constitutional provisions. The provisions of this Agreement shall be applicable on receipt by the Company of notice in writing from the Association of the amount of regular monthly dues.

20.3 Employees filling positions of a managerial or confidential nature not subject to all the rules of the Agreement as may be mutually agreed between the designated officers of the Company and of the Association shall be excepted from dues deduction.

20.4 Membership in the Association signatory hereto shall be available to any employee eligible under the constitution of the Association on payment of the initiation or reinstatement fees uniformly required of all other such applicants by the local lodge or division concerned. Membership shall not be denied for reasons of race, national origin, colour or religion.

20.5 Deductions for new employees shall commence on the first pay period which contains the twenty-fourth day of the month.

20.6 If the wages of an employee payable on the payroll for the last pay period of any month are insufficient to permit the deduction of the full amount of dues, no such deduction shall be made from wages of such employees by the Company in such month. The Company shall not, because the employee did not have sufficient wages payable to him/her on the designated payroll, carry forward and deduct from any subsequent wages the dues not deducted in an earlier month.

20.7 Employees filling positions coming within the scope of more than one Wage Agreement in the pay period in which deduction is made shall have dues deducted from the Organization holding the Agreement under which the preponderance of their time is worked in that period. Not more than one deduction of dues shall be made from any employee in any month.

20.8 Only payroll deductions now or hereafter required by law, deduction of monies due or owing the Company, pension deductions and deductions for provident funds shall be made from wages prior to the deduction of dues.

20.9 The amounts of dues so deducted from wages accompanied by a statement of deductions from individuals shall be remitted by the Company to the officer of the Association concerned, as may be mutually agreed by the Company and the Association, not later than 40 calendar days following the pay period in which the deductions are made.

20.10 The Company shall not be responsible financially or otherwise, either to the Association or to any employee, for any failure to make deductions or for making improper or inaccurate deductions or remittances. However, in an instance in which an error occurs in the amount of any deduction of dues from an employee's wages, the Company shall adjust it directly with the employee. In the event of any

mistake by the Company in the amount of its remittance to the Association, the Company shall adjust the amount in a subsequent remittance. The Company's liability for any and all amounts deducted pursuant to the provisions of this Agreement shall terminate at the time it remits the amounts payable to the designated officer or officers of the Association.

20.11 The question of what, if any, compensation shall be paid the Company by the Association signatory hereto in recognition of services performed under this Agreement shall be left in abeyance subject to reconsideration at the request of either party on 15 days' notice in writing.

20.12 In the event of any action at law against the parties hereto resulting from any deduction or deductions from payrolls made or to be made by the Company pursuant to the first Paragraph of this Agreement, all parties shall co-operate fully in the defence of such action. Each party shall bear its own cost of such defence except if at the request of the Association counsel fees are incurred these shall be borne by the Association so requesting. Save as aforesaid the Association shall indemnify and save harmless the Company from any losses, damages, costs, liability or expenses suffered or sustained by it as a result of any such deduction or deductions from payrolls.
(Refer to Addendum No. 5)

ARTICLE 21

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ARTICLE 22

Employment Security and Income Maintenance

Definitions

The terms used herein will have the meanings as hereinafter provided:

- A.** "Employment Security" means that an employee who has eight or more years of Cumulative Compensated Service with the Company, and commenced service prior to January 1, 1992, will have Employment Security as provided in paragraphs 22.32 to 22.36.
- B.** "Eligible Employee" means an employee of the Company represented by the Association who is eligible for benefits pursuant to the eligibility requirements of paragraphs 22.1 to 22.11, paragraphs 22.20 to 22.31 and paragraph 22.51.
- C.** "Basic Weekly Rate" means the Basic Weekly Rate of pay applicable to the position held at the time of change. (Hourly rated employees, 40 X the basic hourly rate; spare employees, 80 per cent of average weekly earnings over the eight weeks preceding layoff.)
- D.** "Seniority District/Territory" means that Seniority District/Territory as defined in the applicable collective agreement.
- E.** "Cumulative Compensated Service" means:
- (i)** one month of Cumulative Compensated Service which will consist of 21 days or major portion thereof.
 - (ii)** Twelve months of Cumulative Compensated Service shall constitute one year of Cumulative Compensated Service calculated from the last date of entry into the Company's

service as a new employee. 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 towards computation of severance or layoff benefits. Service of less than six months of Cumulative Compensated Service shall not be included in the computation.

(iii) For an employee who renders compensated working service in any calendar year, time off duty, account 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.

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

"Operational or Organizational Change" means: 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 change, excluding changes which are brought about by general economic conditions, and which result from the reduction or elimination of excess plant capacity shall also be considered as Technological, Operational or Organizational changes.

LABOUR ADJUSTMENT COMMITTEE

22.1

(a) The Labour Adjustment Committee shall consist of up to three representatives of management and up to three representatives of the Association. The Committee shall be co-chaired by the Chief, CN Police, or designate and the National President of the Association, or designate.

Part-time Association officers participating in Labour Adjustment Committee meetings will not lose any pay. The Company will reimburse any expenses incurred as per provisions of the Collective Agreement.

The Committee will meet quarterly or as often as is deemed appropriate by the Co-Chairpersons.

(b) The role of the Committee will be to:

(i) Review the status of surplus employees as well as any initiative which may impact employees represented by the Association.

(ii) Mediate the item(s) remaining in dispute following the discussions held in accordance with Paragraph 22.1(c).

(iii) Examine placement opportunities for surplus employees inside the Company system wide, as well as with

external employers, where appropriate. The Committee will do everything possible to encourage surplus employees to accept employment opportunities identified by the Committee.

(iv) Provide, where it deems appropriate, tuition assistance of up to \$3,000 to surplus employees. This assistance will be provided for training or education which will assist the individual in accessing work opportunities inside the Company or with external employers. These expenditures may be advanced upon presentation of appropriate receipts and documentation to the Committee.

Dispute Resolution

(c) If the Labour Adjustment Committee 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 an Arbitrator as set out in paragraph 22.53 through 22.59, inclusive. 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 Association acknowledges, and shall be confined to items not otherwise dealt with in this Article 22.

Weekly Layoff Benefits and Severance Payments

Benefit Accumulation - Layoff Payments

22.2

(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.

(b) Effective June 14, 1995, an employee with 8 years or more but less than 20 years of Cumulative Compensated Service (or major portion thereof), will be allowed a gross layoff benefit credit of six weeks for each such year.

NOTE: In arriving at net layoff benefits available for an employee, any previous layoff payments made under any other Agreement and this Article 22 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 Article, he/she would be treated as follows:

_____ Gross weeks of layoff benefits

entitlement	
- 10 (yrs) X 6 (weeks)	<u>60 weeks</u>
_____ Less weeks of layoff benefits paid under the provisions of a previous Job Security Agreement, and/or this Article	<u>10 weeks</u>
_____ Net Layoff Benefit available	<u>50 weeks</u>

(c) Except as provided in paragraph 22.3, an Eligible Employee who is laid off, and whose layoff benefit credit is reduced due to weekly layoff benefit payment being made during the period of layoff in accordance with this Article 22, will, on recall, accumulate layoff benefit credits in accordance with the above provisions.

22.3 An employee who, at the beginning of the calendar year, has completed 12 years of Cumulative Compensated Service and subsequently receives weekly benefits due to layoff, in accordance with the provisions of this Article 22 shall, upon return to service after termination of layoff, be credited with the accumulated layoff benefit weeks he/she had to his/her credit at the time of layoff.

22.4

(a) An employee who is not disqualified under subparagraph (d) hereof, shall be eligible for a benefit payment in respect of each full week of seven consecutive calendar days of layoff (herein called "a claim week") provided he/she meets all of the following requirements:

(i) He/she 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);

(ii) For weekly layoff 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 weekly layoff 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 weekly layoff benefits upon layoff within such ninety days.

(iii) He/she has made application for benefits in the prescribed form and in accordance with the procedures prescribed herein;

(iv) He/she has exercised full seniority rights on his/her Basic Seniority Territory as provided for in the relevant collective agreement, except as otherwise expressly provided in sub-paragraph (d), clauses (ii) and (iii) of this paragraph 22.4.

(v) Employees who elect layoff benefits under paragraphs 22.1 to 22.11, will forfeit their entitlement to a severance payment under paragraph 22.51.

(vi) He or she has not applied for a severance payment under paragraph 22.51 within fourteen calendar days from the date of layoff.

(b) Intentionally left blank

(c) An employee who, on being laid off, does not qualify under clause (i) of sub-paragraph (a) of paragraph 22.4 shall, if still laid off in the next calendar year, qualify under said clause (i) if at the beginning of said next calendar year he/she has two years of continuous employment relationship. The seven-day waiting period and the thirty-day waiting period provided for in clauses (ii) and (iii), respectively of sub-paragraph (a) of paragraph 22.4 shall commence from the 1st

day of January of that year.

(d) Notwithstanding anything to the contrary in this Article, an employee will not be regarded as laid off:

(i) During any day or period in which his/her 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 subparagraph (d) clause (ii) of paragraph 22.4, 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 Company;

(ii) During any interval between the time that he/she is recalled to the service of the Company after a period of layoff, and the time at which he/she 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 paragraph 22.6 on the same basis as if he/she had returned to work on the date such work became available.

(iii) If he/she declines, for any reason, other than as expressly provided for in sub-paragraph (d) clause (ii) of paragraph 22.4, recall to work on his/her Basic Seniority Territory in accordance with the seniority provisions of the relevant collective agreement or, refuses recall to work for a non-scheduled position of any duration on his/her seniority territory.

(iv) In respect of any period in which he/she is receiving other payments of any kind or nature directly from the Company, except as otherwise expressly provided in paragraph 22.6.

(v) After his/her dismissal from the service of the Company.

Note 1: "Basic Seniority Territory" as referred to in sub-paragraph (a) clause (iv) and sub-paragraph (d) clause (iii) of paragraph 22.4, shall be as defined in paragraph 11.1 of the Collective Agreement. Basic seniority territories as they exist on the date of signing of this Agreement shall not be changed without mutual consent of the parties.

Note 2: Employees required to fill temporary non-scheduled positions away from their home location in accordance with sub-paragraph 22.4 (d) (iii) will be covered by the provisions of Addendum 8.

Claims Procedure

22.5 An Eligible Employee, as defined in paragraph 22.4 may, at the expiration of the seven-day waiting period specified in sub-paragraph (a) clause (ii) of said paragraph 22.4, make application to a designated officer in the form and manner prescribed by the Company, for a weekly layoff benefit as follows:

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

(i) A weekly layoff benefit for each complete week of seven calendar days laid off following the seven-day waiting period referred to in paragraph 22.4 of an amount which, 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 percent of his/her Basic Weekly Rate at time of layoff.

(ii) During any week following the seven-day waiting period referred to in paragraph 22.4, in which 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 weekly layoff benefit for each complete week of seven calendar days laid off of the maximum unemployment insurance weekly benefit currently in force or such lesser amount which, when added to the employee's outside earnings for such week, will result in the employee receiving 80 percent of his/her Basic Weekly Rate at time of layoff.

(iii) Weekly layoff benefits provided for under

paragraph 22.5 shall cease when an Eligible Employee has exhausted the benefit accumulation as specified in paragraph 22.1.

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

(i) A weekly layoff benefit for each complete week of seven calendar days laid off following the seven-day waiting period referred to in paragraph 22.4 of an amount which, 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 percent of his/her Basic Weekly Rate at time of layoff.

(ii) During any week following the seven-day waiting period referred to in paragraph 22.4, in which 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 weekly layoff benefit for each complete week of seven calendar days laid off of an amount which when added to the employee's outside earnings for such week, will result in the employee receiving 80 percent of his/her Basic Weekly Rate at time of layoff.

(c) It shall be the responsibility of the employee to report for each week for which he/she is claiming a weekly layoff benefit under Article 22 any amounts received from the Canada Employment and Immigration Commission in respect of such week, as well as any wages earned during such week while employed outside the Company. In the event an employee does not report all such outside earnings for any particular week, this will be interpreted as notice from him/her that his/her outside earnings for such week are the same as those for the previous week.

22.6 No weekly layoff benefit will be made for parts of a claim week as defined in sub-paragraph (a) of paragraph 22.4 except that:

(a) Recall not covered by paragraph 22.6 (b) below

An employee who has qualified for weekly layoff benefits in accordance with sub-paragraph (a) of paragraph 22.4 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 weekly layoff 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 percent of his/her Basic Weekly Rate at time of layoff.

(b) Temporary recall for less than five working days

An employee who has qualified for weekly layoff benefits in accordance with sub-paragraph (a) of paragraph 22.4 will not have his/her weekly benefit payment reduced for any claim week during which he/she returned to the service temporarily for less than five working days.

Example of Payment for Part Week on Recall

22.7 Assume that an employee with a rate of \$15.00 per hour (\$120.00 per day, \$600.00 per week) is laid off Friday, April 16, 1993, (last day worked April 15th) and recalled to work Thursday, May 27, 1993. This is 41 days, or 5 weeks and 6 days.

For the purpose of this illustration, the employee's plan 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:

Plan Claim Week 1

Nil (waiting period).

Plan Claim Week 2

(a) employee with less than
20 years of service
- unemployment insurance
maximum - \$425.00
(from Article 22).

(b) employee with 20 or more
years of service - 80% of
Basic Weekly Rate at the
time of layoff -
(80% X \$600) = \$480.00
(from Article 22).

Plan Claim Weeks 3, 4 and 5

80% of Basic Weekly Rate
at the time of layoff -
(80% X \$600) - \$480.00
(\$342

unemployment

\$138

22)

insurance and
from Article

Last Plan Claim Week (May 21 - May 27, 1993, inclusive)

For unemployment insurance
purposes, employee works 2 days,
(May 27 and 28 - both of which
days fall in one unemployment
insurance claim week)

- Earnings

\$240.00

Deduct unemployment insurance allowable earnings (25% of employee's unemployment insurance entitlement of \$342)	\$ <u>85.50</u>
Net earnings for unemployment insurance purposes	\$154.50
Unemployment insurance entitlement during last plan claim week - (\$342 - \$154.50)	\$187.50
In order to make up the 80% of his/her Basic Weekly Rate during the last plan claim week - i.e., \$480, the employee would receive:	
One day's wages for Thursday, May 27, the last day of the plan claim week	\$120.00
Unemployment insurance entitlement	\$187.50
From Article 22	\$ <u>172.50</u>
TOTAL	\$ <u>480.00</u>

22.8 Intentionally left blank.

Special Provisions for Employees with 20 Years or More of Cumulative Compensated Service

22.9

(a) An employee with 20 years or more of Cumulative Compensated Service who, in any calendar year, is laid off and unable to hold work on his/her 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.

(b) An employee with 20 years or more of Cumulative Compensated Service who is laid off and unable to hold work on his/her Basic Seniority Territory will have his/her group life insurance continued during the period of layoff, up to a maximum period of two years from date of layoff.

22.10 Any agreement reached between the parties will not be valid in respect of benefits under this Article unless approved by the Canada Employment and Immigration Commission on the basis that no deductions will be made from the Government unemployment insurance payments by reason of supplemental unemployment benefits. Notwithstanding anything contained in this Article, no Eligible Employee will receive for any week a layoff payment under this Article in excess of that which can be allowed the employee without any reduction in his/her unemployment insurance payment.

22.11 An employee who is on layoff on the effective date of this Article and not receiving weekly layoff benefits but who now qualifies for benefit payments in accordance with the terms of this Article, shall be entitled to claim weekly layoff

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 Article. 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 sub-paragraph (a) clause (ii) of paragraph 22.4. Such employee who fails to file a claim within sixty calendar days of the effective date of this Article will forfeit his/her right to any benefit payments unless subsequently returned to work and again laid off.

Training of Employees

22.12 An employee who has Employment Security under the provisions of paragraphs 22.32 through 22.37, inclusive who has his/her position abolished and is unable to hold work due to a lack of qualifications, will be trained for another position within his/her seniority group and, failing that, will be trained (if necessary) in order to fill a position in keeping with the provisions of paragraphs 22.32 through 22.37, inclusive. Training (if necessary) will be provided for a position for which he/she 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/her last railway classification during his/her period of training (hourly rated employees, 40 x the basic hourly rate; spare employees, 40 x the average hourly earnings over the eight weeks preceding layoff).

22.13 An employee who does not have Employment Security under the provisions of paragraphs 22.32 through 22.37, inclusive and has two or more years of Cumulative Compensated Service and:

(a) has been laid off or who has been advised that he/she may be laid off and who is, or will be, unable to hold other work in the Company because of lack of qualifications, or,

(b) will be adversely affected by a notice served pursuant to paragraphs 22.38 through 22.47, inclusive requiring an employee to relocate or suffer a substantial reduction in his/her rate of pay,

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

22.14 At the option of the Company training provided under the provisions of either paragraph 22.12 or 22.13 may be:

(a) at training classes conducted by qualified Company 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 Company position;

(ii) offer a likelihood of employment in the Company 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.

22.15 An employee covered by the provisions of paragraph 22.13 will receive 80 per cent of the Basic Weekly Rate of his/her last job classification during his/her period of training. In addition, he/she will be provided for the training period with books, equipment, tools and allowed other necessary supplementary expenses associated with the training program.

22.16 Should an employee covered by the provisions of paragraph 22.13 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.

22.17 Notwithstanding any agreement to the contrary, the Company may require an employee who has completed a training program to take a position for which he/she has been trained.

22.18 In addition, the Company, where necessary and after discussion with the Association, will provide classes (after work or as arranged) to prepare present Company employees for upgrading, adaptation to technological change and anticipated new types of employment in the Company. The cost of such retraining will be borne by the Company.

22.19 Upon request, the subject of training of an employee or groups of employees under any of the above provisions will be discussed by the appropriate National officer or equivalent and the appropriate officer of the Company either prior to or at the time of layoff or at the time of the serving of the notice pursuant to paragraphs 22.38 through 22.47, inclusive or as

retraining under paragraph 22.18 is considered. Any unresolved differences between the parties concerning the usefulness of training for future Company service, the necessity for retraining, or the suitability and adaptability of an employee for training, may be progressed to arbitration in keeping with paragraphs 22.54 through 22.59, inclusive.

Relocation Expenses

Eligibility

22.20 To be eligible for relocation expenses an employee:

- (a)** must have been laid off or displaced, under conditions where such layoff or displacement is likely to be of a permanent nature, with the result that no work is available at his/her home location and, in order to hold other work in the Company, 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 paragraphs 22.38 through 22.47, inclusive and he/she 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 paragraphs 22.38 through 22.47, inclusive 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 under the provisions of paragraph 22.32 through 22.37, inclusive and be required to relocate to hold work under the provisions of paragraphs 22.32 through 22.37, inclusive; or
- (e)** must have Employment Security under the provisions

of paragraphs 22.32 through 22.37, and voluntarily relocate to fill a vacant position on another seniority district

(i) in order to hold work; or

(ii) in order to allow another employee who has Employment Security under the provisions of paragraphs 22.32 through 22.37, to hold work.

(f) As per the current provisions of this Article, relocation benefits will only apply when an employee is required to travel an additional 25 miles to the new work location or the commuting allowance benefit will apply if the employee does not change the employee's residence but is required to travel an additional 15 miles to the new work location.

22.21 In addition to fulfilling at least one of the conditions set forth above, the employee:

(a) must have two years' Cumulative Compensated Service; and

(b) must be a householder, i.e., one who owns or occupies unfurnished living accommodation. This requirement does not apply to paragraphs 22.24, 22.25, 22.26 and 22.29; and

(c) must establish that it is impractical for him/her to commute daily to the new location by means other than privately-owned automobile.

Relocation Benefits

22.22 Payment of door-to-door moving expenses for the Eligible Employee's household goods and his/her automobile including packing and unpacking, insurance and up to one month's storage; the mode of transportation to be determined by the Company.

22.23 Effective June 14, 1995, an allowance of up to \$750 for incidental expenses actually incurred as a result of relocation.

22.24 Effective June 14, 1995, reasonable transportation expenses from his/her former location to his/her 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 and bus transportation.

22.25 Upon authorization, an employee may drive his/her automobile to his/her new location at the allowance per kilometer specified in the current Collective Agreement.

22.26 In order to seek accommodation at his/her new location and/or to move to his/her 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/her Basic Weekly Rate.

22.27

(a) Effective June 14, 1995, except as otherwise provided in sub-paragraph (c) of paragraph 22.27, reimbursement of up to \$12,000 for loss sustained on the sale of a relocating employee's private home which he/she 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 is described in paragraph 22.31.

(c) Notwithstanding the provisions of sub-paragraph (a) of paragraph 22.27:

(i) Should a change take place involving relocation of Company employees whereby the number of homes being listed for sale by such Company 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 paragraph 22.31. The number of Company employees' homes referred to above shall, for the purpose of establishing the 15 per cent, include the homes of all Company employees which are being offered for sale as a result of and at the time of the change; or

(ii) Effective June 14, 1995, should a change occur involving relocation of Company employees covered by this Article as well as Company employees covered by other collective agreements, the maximum amount of \$12,000 specified in paragraph (a) of this paragraph 22.27 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/her house and receives any benefit to which he/she may be entitled under paragraph 22.27 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 paragraph 22.27 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 paragraph 22.27 must be made within twelve months of the final determination of value.

NOTE: Notwithstanding other provisions of paragraph 22.27, special cases of loss on sale of homes may be submitted to the Company for adjudication, but such special cases will not be subject to arbitration.

22.28 Effective June 14, 1995, 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.

22.29 Effective June 14, 1995, an employee, who is eligible for moving expenses does not wish to move his/her household to his/her new location he/she may opt for a monthly allowance of \$190) which will be payable for a maximum of 12 months from the date of transfer to his/her

new location. Should an employee elect to transfer to other locations during such twelve-month period following the date of transfer, he/she 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/her household effects to a new location during the twelve-month period following the date of his/her 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/her relocation.

22.30

(a) Alternatively to paragraph 22.27, 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 the 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

22.31 When an Eligible Employee desires to sell his/her home, under the provisions of sub-paragraph (b) of paragraph 22.27, the following procedure will apply:

(a) In advising the Company officer concerned of his/her desire to sell his/her house, the employee shall include pertinent particulars as outlined in clause (i) of paragraph 22.31, including his/her opinion as to the fair market value of his/her 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 value will be unaffected thereby.

(c) Within 15 working days from date of receipt of employee's advice of his/her 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 sub-paragraph (a) of paragraph 22.27.

(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 employee concerned and the appropriate Association 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 sub-paragraph (c) of paragraph 22.31.

(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 Article 22, and such price shall be binding on both parties.

(f) The employee and Company officer concerned shall endeavour to mutually agree upon the independent appraiser referred to in sub-paragraph (e) of paragraph 22.31. 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 Article, nor with such appraiser's employee, fellow employee or partner.

(h) The fees and expenses of any appraiser appointed in accordance with sub-paragraph (e) or (f) of paragraph 22.31 shall be paid by the Company.

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

(i) Particulars of House to be Sold

Name of Owner

Address

No. Street City-Town

Type of House, i.e.,

Cottage Bungalow Split Level

Year Built

No. of Room.....Bathrooms

Type of Construction, i.e., brick, veneer, stucco,
clapboard

Finished Basement: Yes.....No

Type of Heating, i.e., oil, coal, gas, electricity

Garage: Yes.....No

Size of Lot

Fair Market Value: \$

Other Comments

Date

Signature

Employment Security

Section A) System Requirements

22.32 When an employee who has eight or more years of cumulative compensated service, and commenced service prior to January 1, 1992, is affected by a change pursuant to Article 22.38, such employee is required to do the following in order to become eligible for the benefits contained in Articles 22.32 to 22.36:

- (a)** fully exhaust seniority in their own classification at their location; if unable to hold work,
- (b)** fully exhaust seniority in their own bargaining unit at their location; if unable to hold work,
- (c)** fully exhaust seniority in their own bargaining unit on their Basic Seniority Territory; if unable to hold work,
- (d)** accept work outside of CN Rail at the location as determined by the Labour Adjustment Committee; if unable to hold work,
- (e)** fully exhaust seniority in their own bargaining unit on the system; if unable to hold work,
- (f)** fill unfilled permanent vacancies in the clerical and running trades bargaining units, non-scheduled or management positions at the location, region, system;

Note 1: For the purposes of this Article, "permanent vacancy" will mean any position of an expected duration of more than 90 days.

Note 2: The principles of this article are that, after exercising bargaining unit rights and before going to the basic seniority territory, an employee will have the right to accept, at the

location, permanent vacancies in clerical and running trades bargaining units, non scheduled or management positions or work outside of CN as determined by the Labour Adjustment Committee.

Note 3: If an employee has to displace to the region or to the system, such employee will have the same seniority rights at the region and system.

Note 4: Employees have the right to exercise their seniority rights within the bargaining unit from location, basic seniority territory, region and system in advance of 22.32(d) and (f) but are obligated to these provisions if no positions are available within the bargaining unit up to and including the system level.

22.33

(a) Prior to an employee being required to fill a permanent vacancy or displace beyond the Region pursuant to Article 22.32, the Labour Adjustment Committee will meet and review whether any alternatives are available.

(b) When displacing beyond the Region, the employee must displace the junior employee holding a permanent position at the location where the junior employee holding the position is located.

(c) Relocation benefits will be triggered only when permanent vacancies are filled or when an employee displaces onto a permanent position.

(d) Consolidated seniority (earliest date of entry in bargaining unit 28.2) will apply only in a displacement situation, including protection against displacement. Employees cannot use consolidated seniority to bid on positions. A new seniority date will be established on the seniority to which the employees displace/transfer to. The Labour Adjustment Committee will meet to develop the rules in regard to the application of this provision.

(e) Employees will continue to hold and accumulate seniority on the list from which they have displaced or transferred from.

(f) Employees must accept temporary vacancies within the Region in accordance with existing rules in their collective agreement, including expenses where such provisions exist.

(g) Any outside earnings an employee was receiving prior to the date of the notice of permanent job abolishment will not be deducted from benefits received under this Article. In all other cases, outside earnings will be deducted.

22.34 If unable to hold a permanent position pursuant to Article 22.32, an employee shall receive the employment security benefits contained in Article 22.35, at their home location, until a permanent position becomes available under the above-stated obligations. At such time, the employee will be required to obtain a permanent position in accordance with the above-stated obligations and, if required to relocate, shall be eligible for relocation benefits.

22.35 The Employment Security Benefit entitlement under Section A), Articles 22.32 to 22.36 is as follows:

6 years at 90% of the employee's Basic Weekly Rate of pay of the last permanent position held. Employees will retain Dental, Health Care and Sick Leave Benefits.

22.36

(a) Should an employee in receipt of employment security benefits be required to fill a permanent position in accordance with the above-stated obligations, the employee's employment security benefit entitlement shall be re-instated.

(b) Employees required to relocate, that is, when they must travel an additional 25 miles from their principal place of residence to their new work location, pursuant to Section A), Articles 22.32 to 22.36, and who actually relocate, will be entitled to the relocation benefits pursuant to Articles 22.20 to 22.31 inclusive or, may choose a lump sum relocation benefit as follows:

Homeowner / Non-Homeowner

Within the Region	\$22,000 / \$12,000
Beyond the Region	\$45,000 / \$25,000

Note: Employees will be required to pay back one-half of the lump sum relocation benefit if they voluntarily cease their employment relationship, with the Company within two years of receiving the lump sum relocation benefit.

(c) Employees electing to be covered by the benefits contained in Section A), Articles 22.32 to 22.36, who fail to fully exhaust their seniority in their basic seniority territory as defined in this collective agreement, shall forfeit their seniority and will forever forfeit entitlement to benefits under this Agreement.

(d) Employees electing to be covered by the benefits contained in this Section A), Articles 22.32 to 22.36, who at any time, fail to meet the requirements outlined in Articles 22.32 (c), (d), (e), or (f) will forever forfeit entitlement to benefits under Section A), Articles 22.32 to 22.36. Such employees may however, at that time, opt to receive the benefits contained in Section B) of Article 22.37. Benefits will be reduced by any wages received under Section A), Articles 22.32 to 22.36 .

(e) Any employee who chooses to be covered by Section B) Article 22.37, prior to being affected by a permanent staff reduction will continue to be eligible for Section A), Article 22.32 to 22.36 coverage if at a future date such employee obtains a permanent position and is again affected by a change pursuant to Article 22.38.

(f) Employees affected by a change pursuant to Article 22.38, must notify the Company within 15 days of receipt of the notification of that change whether they wish to be governed by the rights and obligations of either Section A), Articles 22.32 to 22.36 or Section B), Article 22.37.

(g) Employees on Employment Security benefits as of **June 13, 1995**, and governed by the terms and conditions of Article 22 of the Collective Agreement revised November 26, 1992, will continue to be governed by those provisions subject to the following additional conditions or limitations which will come into effect on November 01, 1995.

The duration of Employment Security entitlement will be 6 years, commencing on November 01, 1995.

When employees have expended their Employment Security benefits and are not occupying a permanent position, such employees must occupy a permanent position pursuant to Article 22.32 or elect options 1 or 3 of Article 22.37 (b) Section B).

Employees currently in receipt of benefits who are in the transition period of 6 years outlined above, will be required, in addition to the requirements of Article 22 of the Former Collective Agreement, to fill permanent vacancies in clerical and running trades bargaining units, non-scheduled or management positions on the Region and accept work outside of CN Rail at their home location. Any outside earnings will be deducted from Employment Security payments.

(h) With the exception of Option One of Article 22.37(b) employees eligible for early retirement are not entitled to the benefits contained in Articles 22.32 to 22.37. However, such employees will be entitled to the provisions of Articles 22.22 to 22.31 inclusive, relocation benefits, if required to relocate in order to hold a permanent position.

Section B) Enhanced Supplementary Unemployment Benefit and Alternative Options

22.37

(a) Employees who have completed eight or more years of CCS and commenced service prior to January 1, 1992, and are affected by a change pursuant to Article 22.38 and elect not to fulfill the obligations under Section A), Articles 22.32 to 22.36, will be required to do the following in order to become and remain eligible for the benefits contained in Section B), Article 22.37.

(i) fully exhaust seniority in their own classification at their location, if unable to hold work;

(ii) fully exhaust seniority in their own bargaining unit at their location; if unable to hold work;

(iii) fully exhaust seniority in their own bargaining unit on their basic seniority territory; if unable to hold work,

Relocation benefits will be triggered only when permanent vacancies are filled or when an employee displaces onto a permanent position.

Note: Any employee may choose Options 1, 2, or 3 prior to accepting work in another bargaining unit.

(iv) fill vacancies in the clerical and running trades bargaining units, non-scheduled or management positions at their home location; if unable to hold work;

Note: Any employee may choose Options 1, 2, 3 or 4 prior to accepting work outside CN

(v) accept work outside of CN Rail at the home location as determined by the Labour Adjustment Committee; if unable to hold work.

(vi) After exhausting (i) through (v), the employee, if eligible, will be required to exercise one of the following options:

(b) Option One (Enhanced Early Retirement Separation Allowance)

Employees who are eligible for early retirement under the CN Pension Plans rules and who have 85 points, will be entitled to a lump sum early retirement separation allowance. The separation allowance is to be calculated in accordance with the VIA formula.

Employees who elect to retire under this Option will have their life insurance and extended health care benefits continued until they reach age 65.

Option Two (Bridging)

Employees who will be eligible for early retirement under the CN Pension Plan(s) within 5 years (that is will have 85 points as defined by the Pension Plan(s) within 5 years) may elect to take a bridging package at 65% of the employees basic weekly rate with continued benefit plan coverage (Dental, Extended Health and Vision Care, and Group Life Insurance) until eligible for early retirement, at which time the employee will be given a separation allowance in accordance with Option One above.

If an employee is within 5 to 7 years of early retirement under the Pension Plan(s) rules (that is will have 85 points as defined by the Pension Plan(s) rules within 5 to 7 years), the employee may elect to take a bridging package at 65% of the employees basic weekly rate with continued benefit coverage until retirement, at which time the employee will be given a separation allowance in accordance with the following formula: (Dental continued until early retirement - Extended Health and Vision Care and Group Life Insurance continued until normal retirement).

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 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.

Option Three (Severance Payment)

Employees may elect to take a lump sum severance payment of \$ 65,000.

Such employees shall be entitled to Group Life Insurance and Extended Health and Vision Care benefits fully paid by the Company for one year.

Option Four (Educational Leave)

Employees will be entitled to a leave of absence for educational purposes, with full pay for a period of up to three (3) years while attending an educational training program. The program must be approved by the Labour Adjustment Committee. Employees will be subject to be called to work while not attending courses. All outside earnings during this period of leave will be deducted from the employees' pay. Upon completion, the employee is to resign from Company service unless there is a permanent position available for which the employee is the qualified successful candidate. Such employee forfeits any future entitlement to Section A) Articles 22.32 to 22.36 or Section B) benefits.

Such employee will be treated as a new employee for the purposes of receiving benefits under this Plan and shall forfeit all seniority. However, the employee's prior service shall be recognized for the purposes of pension and vacations.

Option Five (Enhanced Supplemental Unemployment Benefit)

Elect to receive the following enhanced SUB provided the employee has fully exercised seniority on the basic seniority territory.

- (i) 8 years or more but less than 23 years CCS 3 years entitlement
- (ii) 23 years or more but less than 30 years CCS 4 years entitlement
- (iii) 30 years or more CCS 5 years entitlement

Benefit Level:

Year 1 90 % of the Basic Weekly Rate of the last permanent position held;

Year 2 85 % of the Basic Weekly Rate of the last permanent position held;

Year 3 80 % of the Basic Weekly Rate of the last permanent position held;

Year 4 80 % of the Basic Weekly Rate of the last permanent position held;

Year 5 80 % of the Basic Weekly Rate of the last permanent position held.

Employees electing option 5 may elect, at the same time, to continue to be covered by any or all of the current benefits (Dental, Extended Health and Vision Care and/or Group Life Insurance) at their expense. The cost of such benefit will be deducted from the employee's SUB payment on a monthly basis. An employee's decision to elect one or all of these benefits will be binding for the duration during which the employee is in reception of SUB.

(c) Employees required to relocate pursuant to Article 22.37 (a) and who actually relocate, will be entitled to the relocation benefits provided in Articles 22.22 to 22.31 inclusive or, in lieu, may choose a lump sum relocation benefit of \$22,000 for homeowners, or \$12,000 for non-homeowners.

Note: Employees will be required to pay back one-half of the lump sum relocation benefit if they voluntarily cease their employment relationship with the Company within two years of receiving the lump sum relocation benefit.

TRANSFER OF BENEFITS

22.37

(d) Where employees with 8 or more years of CCS and who commenced service prior to January 1, 1992, are affected by a change pursuant to Article 22.38 of this Agreement and are unable to hold a permanent position in their bargaining unit, Article 22.37(b), Options 1, 2 or 3 will be offered to senior employees in their bargaining unit in seniority order on the affected seniority list at the location of the affected employee or where the affected employee elects to displace, provided that the employee ultimately displaced and unable to hold a permanent position has 8 or more years of CCS and commenced service prior to January 1, 1992.

(e) Should a senior employee at the location(s) referred to in Article 22.37(d) above, choose not to elect to receive the benefits contained in Article 22.37 (b), Options 1, 2 or 3, the benefits contained in Article 22.37 (b), Options 1, 2 or 3 will be offered to senior employees in the bargaining unit in seniority order on the affected seniority list on the Region the affected employee elects to displace, provided that the employee ultimately displaced and unable to hold a permanent position has 8 or more years of CCS and commenced service prior to January 1, 1992.

(f) Should a senior employee at the location referred to in Article 22.37 (e) above, choose not to elect to receive the benefits contained in Article 22.37(b), Options 1, 2 or 3, the displaced employee will not be required to displace beyond the Region, if this would result in a junior employee with 8 or more years CCS and who commenced service prior to January 1, 1992 being unable to hold a permanent position.

However, an employee may elect to displace under such circumstances. Article 22.37 (b), Options 1, 2 or 3 will be offered to senior employees in the bargaining unit in seniority order at the location on the affected seniority list .

Technological, Operational and Organizational Changes

22.38

(a) The Company will not put into effect any Technological, Operational or Organizational change of a permanent nature which will have adverse effects on employees holding permanent positions without giving as much advance notice as possible to the National Representative or such other officer or as may be named by the Association 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.

(b) Prior to implementing any other permanent change of a known duration of one year or more, which will have adverse effects on employees holding permanent positions, the company will provide the Association with as much advance notification as possible. The notification will contain a description of the change and the expected number of employees who will be adversely affected.

22.39 When a notice is issued under Article 22.38 (a) 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 National Representative, or such other officer as may be named by the Association concerned, explaining the situation and revising the implementation dates. If necessary, more than one such advice may be issued.

22.40 Intentionally left blank

22.41 Upon request the parties shall negotiate on items, other than those specifically dealt with in this Article 22, 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 Article 22.

22.42 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 of the Association.

22.43 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 an Arbitrator as set out in paragraph 22.53 through 22.59, inclusive. 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 Association acknowledges, and shall be confined to items not otherwise dealt with in this Article 22.

22.44 Intentionally Left Blank.

22.45 In addition to all other benefits contained in this Article 22 which are applicable to all Eligible Employees, the additional benefits specified in paragraphs 22.46 and 22.47 are available to employees who are materially and adversely affected by technological, operational or organizational changes instituted by the Company.

Maintenance of Basic Rates

22.46 Employees whose rate of pay is reduced by \$11.00 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, they:

- (a) first accept the highest-rated position at their location to which their seniority and qualifications entitle them; or
- (b) if no position is available at their location, they accept the highest-rated position on their seniority territories to which their seniority and qualifications entitle them.

The maintenance of basic rates 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/she is holding erase the incumbency differential; or
- (ii) the employee's services are terminated by discharge, resignation, death or retirement.

An example of the application of sub-paragraph 22.46 (b) (i) follows:

Incumbency Date	Basic Rate \$	Level \$
October 1, 1988	500.00	550.00
January 1, 1989 (4.5%)	522.50	572.50
January 1, 1990 (4%)		543.40

593.40		
January 1, 1991 (4.5%)	567.85	617.85
January 1, 1992 (3%)		584.89
617.85		
January 1, 1993 (3%)		602.44
617.85		
	January 1, 1994 (3%)	
620.51	Incumbency	disappears

22.47 Intentionally left blank

Government Assistance Program

22.48 All payments under this Article 22 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.

Non-applicability of Sections 150, 152 and 153, Part V, and Sections 60.11 to 60.15 inclusive of Part III of the Canada Labour Code

22.49 The provisions of this Article 22 are intended to assist employees affected by any technological change to adjust to the effects of the technological change and Sections 150, 152 and 153, Part V, of the Canada Labour Code do not apply.

22.50 The provisions of this Article 22 are intended to minimize the impact of termination of employment on the employees represented by the Association and are intended to assist those employees in obtaining other employment and Sections 60.11 to 60.15 of Part III of the Canada Labour Code do not apply.

Severance Payment

22.51

(a) For each year of Cumulative Compensated Service or

major portion thereof, an employee will be allowed credit weeks as follows:

Employees with less than eight years one week's basic weekly pay for each year of Cumulative Compensated Service.

Employees with eight years or more two and one quarter weeks' basic weekly pay for all years of Cumulative Compensated Service.

(b) An employee eligible for a severance payment and who resigns and who at a later date will become eligible for early retirement pension under the Company Pension Rules shall be entitled to receive the lesser of:

(i) his/her severance payment entitlement under Article 22; 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 Weekly Rate in effect at the time of his/her resignation.

(c) In cases of permanent staff reductions, an employee who has two years or more of continuous employment relationship at the beginning of the calendar year in which the permanent reduction occurs may, upon submission of formal resignation from the Company's service, claim a severance payment as set forth above but such severance payment will not in any event exceed the value of one and one-half years' salary at the Basic Weekly Rate of the position held at the time of abolishment or displacement (calendar year may be deemed to run from January 1 to December 31).

(d) An employee will have fourteen calendar days from the date of layoff to decide to claim a severance payment under this Article.

(e) Notwithstanding any other provision in this Article, 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 under this Article.

Commencement

22.52 Payment of benefits under this Article 22 shall commence on March 1, 1988.

Grievance Procedure and Final Disposition of Disputes

22.53 Except as otherwise provided in Article 22, should any dispute arise respecting the meaning, interpretation, application, administration or alleged violation of Article 22, such dispute shall be progressed by the National representative of the Association in accordance with the provisions of the applicable collective agreement commencing at Step III of the grievance procedure.

22.54 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 Arbitration.

22.55 The parties shall submit a joint statement of issue or issues to the Arbitrator who shall be chosen as outlined in Article 15 of the Collective Agreement.

22.56 The Company and the Association shall 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, shall

be divided equally.

22.57 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 shall be provided with a copy thereof.

22.58 The Arbitrator shall hear the dispute within 30 days from date of the request for arbitration and shall render his/her decision together with reasons therefor in writing within 30 days of the completion of the hearing.

22.59 When a question has been referred to an Arbitrator as provided for in paragraph 22.55 hereof, the Arbitrator's decision shall be final and binding upon the parties hereto. The Arbitrator shall have no power to add to, subtract from, or modify any of the terms of Article 22 or any other collective agreement.

Special Cases

22.60

(a) Notwithstanding any other provisions of this Article 22, the following types of cases not specifically covered by this Article may be the subject of discussions between the President of the Association and/or the appropriate National Representative and the Assistant Vice-President, Labour Relations, but such cases shall not be subject to arbitration:

(i) special case(s) involving extenuating circumstances.

Note: If the extenuating circumstances involve the relocation of employees to the Metropolitan Toronto area, such employees, provided they are a homeowner and eligible for relocation benefits pursuant to the provisions of

paragraphs 22.20 and 22.21 herein, will be allowed a special relocation allowance of \$18,000.

In the event such employees relocate to a location other than the Metropolitan Toronto area, the President of the Association and/or the appropriate National Representative may meet with the Assistant Vice-President, Labour Relations or designate, to discuss whether or not a special relocation allowance for such other location is required.

In such event, it is understood that the special relocation allowance with respect to the Metropolitan Toronto area will not be used by the signatories hereto as a guideline for adjudication.

(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) exist(s), 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 cases(s) of permanent staff reductions lending themselves to special offers of optional early retirement separation allowances to employees eligible to retire under the 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 Credited 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 or less	3.5

Note 1: A partial 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.

Note 2: One week's salary shall be the employees' Basic Weekly Rate at the time of the change.

(b) Such special case(s) may only be agreed upon provided there is observance of the following governing principles:

(i) approval of such special case(s) shall not involve increasing the existing benefit levels in this Article 22.

(ii) approval of such special case(s) shall not be incompatible with the terms of this Article 22.

(iii) approval of such special case(s) referred to in sub-paragraphs 22.60 (a) (i) and 22.60 (a) (ii) above shall not involve costs higher than 90% of the costs which would otherwise have been incurred as a result of the standard

application of this Article 22.

(iv) approval of any special case(s) under paragraph 22.60 (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 plan or agreements dealing with such matters as pensions, health and welfare, etc.

(vi) approval of such 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.

Duration

22.61 Article 22 will remain in effect until revised in the manner and at the time provided for in respect of the revision of the Collective Agreement which is current from time to time.

ARTICLE 23-A

Sick Leave and Maternity Leave Benefits

23-A.1 An employee who is disabled through illness or off-duty injury is eligible for sick leave with pay as outlined in this Article, except that sick leave will not be allowed for absence because of pregnancy.

23-A.2 Employees covered by this Agreement will be eligible for sick leave in accordance with the following table:

Length of Service	Maximum Period of Sick Leave with Pay for Any 1 Absence of (subject to Para. 23-A.3)
2 months but less than 6 mos	1 wk at full pay followed by 14 wks at 70% of pay
6 months but less than 12 mos	2 wks at full pay followed by 13 wks at 70 % of pay
1 year but less than 2 years	3 wks at full pay followed by 12 wks at 70 % of pay
2 years but less than 3 years	4 wks at full pay followed by 11 wks at 70 % of pay
3 years but less than 4 years	6 wks at full pay followed by 9 wks at 70 % of pay
4 years but less than 6 years	8 wks at full pay followed by 7 wks at 70 % of pay

6 years 11 wks at full pay followed by
but less than 8 years 4 wks at 70 % of pay

8 years 15 wks at full pay
but less than 10 years

10 years 20 wks at full pay
but less than 15 yrs

15 years and over 26 wks at full pay

23-A.3 Eligibility for a maximum period of sick leave is not reinstated until twelve weeks after an employee's return to duty from sick leave and provided that during such twelve weeks he/she does not have a further absence because of illness or off-duty injury. Any absence because of disability occurring within such a twelve week period is to be considered as a continuation of the previous period of sick leave.

23-A.4 Sick leave in excess of 26 weeks for employees with 15 years' service or more will be considered by the Chief, CN Police, on individual merit and will require the approval of the Vice-President, Quality and Human Resources. Application for extension is to contain a recommendation as to whether full or partial pay should be granted. Before requesting extension, consideration should be given to having the employee apply for Unemployment Insurance benefits.

23-A.5 A medical certificate from a recognized medical practitioner is to be submitted when continuous absence exceeds one week. The supervisor may request a medical certificate after a shorter period if he/she considers it necessary.

23-A.6 Any continuous sick leave in excess of two months is to be approved by the Medical Department which will issue Form 357. Medical Department approval of absence of shorter duration may be requested when the Supervisor considers the medical certificate (prescribed in Paragraph 23-A.5 hereof) unsatisfactory, or when the employee is unwilling to divulge the nature of his/her illness to his/her Supervisor.

23-A.7 An employee who is laid off or whose services are terminated for any reason and who is on sick leave with pay at the time of layoff or termination is to receive payments in lieu of paid sick leave subject to the following conditions:

- (a) the employee continues to be disabled;
- (b) the sick leave began before notice of layoff or termination had been given or more than two months before the date of layoff or termination;
- (c) the employee had at the date of layoff or termination received less than 15 weeks of paid sick leave in respect of the disability.

23-A.8 Where payments are to be made in accordance with Paragraph 23-A.7 hereof, the following provisions apply:

- (a) The amount of payments is to be 70% of pay but not exceeding the maximum benefit payable under Unemployment insurance. (The current maximum should be confirmed with the Unemployment Insurance Commission.)
- (b) The duration of these payments is to be such that disability income is provided for a total of 15 weeks, inclusive, of the number of weeks of sick leave already granted in respect of the disability.
- (c) Payments are to be made by voucher (not through the payroll) by the office which normally processes the payroll

documents.

23-A.9 Employees who have been on sick leave for more than six months are to be medically examined on presentation of Form 351 at the nearest Company medical clinic or by a doctor designated by the Company Medical Department and found physically fit prior to return to service. If an employee returns to service within six months, no medical examination is necessary unless some special circumstances or feature known to the supervisor indicates the necessity for re-examination.

Maternity Leave

23-A.10 An employee is eligible for the topping-up of Unemployment Insurance Maternity Benefits on the first day of the month following the particular month in which she has maintained a continuous employment relationship for at least 60 calendar days with the Company. Where payments are to be made to an eligible employee, the following provisions apply:

(a) Effective July 1, 1995, for claims which originate on or after that date, an employee will have her Unemployment Insurance Maternity Benefits supplemented to equal 70% of her weekly base pay up to a maximum of \$480.00 or the Unemployment Insurance maximum weekly payment, whichever is greater, for those weeks during which she receives Unemployment Insurance Maternity Benefits, i.e. for a maximum of 15 weeks.

(b) Effective January 1, 1996, for claims which originate on or after that date, an employee will have her Unemployment Insurance Maternity Benefits supplemented to equal 70% of her weekly base pay up to a maximum of \$490.00 or the Unemployment Insurance maximum weekly payment, whichever is greater, for those weeks during which she receives Unemployment Insurance Maternity Benefits,

i.e., for a maximum of 15 weeks.

(c) Effective January 1, 1997, for claims which originate on or after that date, an employee will have her Unemployment Insurance Maternity Benefits supplemented to equal 70% of her weekly base pay up to a maximum of \$500.00 or the Unemployment Insurance maximum weekly payment, whichever is greater, for those weeks during which she receives Unemployment Insurance Maternity Benefits, i.e., for a maximum of 15 weeks.

23-A.11 Payments are to be made by voucher (not through the payroll) by the office which normally processes the payroll documents.

The employee should give to her immediate supervisor a copy of the "Canada Employment and Immigration-Benefit Statement-Notice to Claimant" (cheque stub) each time she receives an Unemployment Insurance Maternity payment.

23-A.12 On return to work an employee may apply for a maternity leave benefit for those days during the two- week waiting period for Unemployment Insurance Maternity Benefits, for which she did not receive earnings. The maximum amounts referred to in Article 23-A.10 apply to this benefit.

ARTICLE 23-B

Dental and Extended Health Care Plans

Dental Plan

23-B.1 Benefits will be provided for employees covered by this Agreement in accordance with the Dental Plan Agreement dated 25 July, 1986, as amended. The Association has admitted status to the Dental Plan Agreement.

Extended Health Care Plan

23-B.2 Benefits will be provided for employees covered by this Agreement in accordance with the Extended Health Care Plan dated 25 July, 1986, as amended. The Association has admitted status to the Extended Health Care Plan.

ARTICLE 24

Term Life Insurance

24.1 Term Life Insurance coverage will be provided an employee according to his/her classification on the following basis:

Effective January 1, 1993

		With Eligible Dependents	Without Eligible Dependents
Special Agent Unassigned			
1st year	\$34,000	\$17,000	
2nd year	36,000	18,000	
After 2nd year		38,000	19,000

24.2 In addition to the group term life insurance provided for in paragraph 24.1 at Company cost, the following additional amounts of group term life insurance will be made available to an employee in accordance with the following :

Effective January 1, 1993

		With Eligible Dependents	Without Eligible Dependents
Special Agent Unassigned			
1st year	\$38,000	\$19,000	
2nd year and thereafter	40,000	20,000	

Such additional term life insurance coverage under this Paragraph 24.2 will be paid for entirely by the employee at the prevailing monthly rate per \$1,000 coverage.

ARTICLE 25

Life Insurance Upon Retirement

25.1 Employees who retire from the service of the Company subsequent to January 1, 1991, will, provided they are fifty-five years of age or over and have not less than ten years' cumulative compensated service, be entitled, upon retirement, to a \$5,000 life insurance policy, fully paid up by the Company.

ARTICLE 26

Printing of Agreement

26.1 The Company will undertake the responsibility for the printing of this Agreement as may be required from time to time and will absorb the cost of such printing. This will include the cost of printing updated pages. During the time that the Agreement, or the updated pages, are being printed, the Company will provide a draft copy to the National Executive Officers of the Association. The Company will also provide a computer diskette version (or other appropriate media) of the revised Agreement.

ARTICLE 27

Loss of Wages in Emergency Situations

27.1 All employees are expected to make every effort to report for work on time, notwithstanding snow or storm conditions. However, employees who, because of severe snow conditions, either report late for work or are unable to report at all, will be governed by the conditions outlined in Paragraphs 27.2, 27.3 and 27.4.

27.2 Employees who arrive late for their assignments, but report prior to the mid-point of their tour of duty, will be paid for the day provided such late arrival is directly attributable to the aforementioned severe snow conditions. Employees who report after the mid-point of their tour of duty will be paid one-half day.

27.3 With respect to employees who are unable to report for work due to the aforementioned severe snow conditions, or who report after the mid-point of their tour of duty, it is agreed that notwithstanding the provisions of the Collective Agreement, such employees may be given the opportunity to work additional hours at straight time rates in order to make-up part or all of such lost time. It is understood that such arrangements will only apply insofar as they do not conflict with the provisions of the Canada Labour Code.

27.4 The above policy only applies when the proper municipal authorities have requested the public to leave their motor vehicles at home and local public transportation services are not operating due to snow storm.

ARTICLE 28

Use of Private Automobile

28.1 Effective January 1, 1988, where an automobile mileage allowance is paid, such allowance shall be 28 cents per kilometer.

ARTICLE 29

Contracting out

29.1 Except in cases where time constraints and circumstances prevent it, the Company will hold discussions with representatives of the Association in advance of the date contracting out is contemplated. The Company will provide the Association a description of the work to be contracted out; the anticipated duration; the reasons for contracting out, and, if possible, the date the contract is to commence, and any other details as may be pertinent to the Company's decision to contract out. During such discussions, the Company will give due opportunity and consideration to the Association's comments on the Company's plan to contract out and review in good faith such comments or alternatives put forth by the union. If the Association can demonstrate that the work can be performed internally in a timely fashion as efficiently, as economically, and with the same quality as by contract, the work will be brought back in or will not be contracted out, as the case may be. Where a business case cannot be made to have the work performed in house under the existing collective agreement terms and conditions, the parties may, by mutual agreement, modify such terms and conditions in an effort to have the work performed in house.

ARTICLE 30

Duration of Agreement

30.1 The Parties agree to resolve any matter that is a source of dissatisfaction to either Party, notwithstanding that the settlement of such disputes requires a change to the Collective Agreement. If any such matter or matters cannot be settled by mutual agreement during the term of this Collective Agreement, such matter or matters may be progressed during the next open period of the Collective Agreement in accordance with Paragraph 30.2.

30.2 This Memorandum of Agreement is in full settlement of all issues raised by either party on or subsequent to October 1, 1997. The Collective Agreement as revised shall continue in effect until December 31, 2000 and thereafter subject to 90 days' notice in writing from either party to the Agreement of its desire to revise, amend, or terminate it. Such notice may be served at any time subsequent to September 30, 2000.

30.3 Excepted issues referred to in paragraph 30.2 of this Article 30 and as identified by their title in the Memorandum of Settlement signed at Montreal, Quebec, May 5, 1989, are as follows:

- Dental Plan
- Extended Health Care Plan

Signed at Montreal, Quebec, this ____ day of _____,
1998.

FOR THE CANADIAN
NATIONAL RAILWAY:
RAILWAYS
COMPANY

(Sgd) R.J. Dixon
Assistant Vice President
Labour Relations and
Employment Legislation

FOR THE CANADIAN
NATIONAL
POLICE ASSOCIATION:

(Sgd) F. Morgan
National President

(Sgd) R.R. McKay
National Secretary/Treasurer

(Sgd) B. Trudeau
National Vice-President

ADDENDA

Addendum No. 1
(TO BE REVISED DURING CLOSED PERIOD)

November 26, 1992

Frank Morgan
President
Canadian National Railway
Police Association
7232 Corrine Crescent
Mississauga, Ontario
L5N 3P5

Dear Mr. Morgan:

Effective 1 January 1993, a Uniformed Upkeep System will be brought into effect which is designed to allow an officer to manage uniform needs based on actual requirement.

A prime consideration in the development of these processes is the simplification and rationalization of all functional steps, while placing the onus for decision as to what items are replaced on the officer.

The following procedure will govern how officers' uniform entitlement will be developed, how officers obtain items and how the Quarter Master will manage the system.

To develop an officers' uniform entitlement, a 1992 survey of CN Police personnel was conducted. The results were studied by a Quality Action Team comprised of two Association and two Management representatives. A consensus was reached and a basic list established with its cost prices to CN. This will form the basis of this procedure and in the future, actual cost prices to CN will be used to update the Uniform Entitlement list.

A. (i) It is expected that all CN Police officers will have available a clean and neat issue of uniform equipment ready to wear at all times.

(ii) Uniform items are loaned to the individual and are accounted for on his/her personal file. Such items must be returned to the Quarter Master stores at some future date. Some items, such as insignia, may be retained by officers on retirement in accordance with current policy.

B. (i) Officers will be credited with a uniform entitlement on January 1 of each year. From this annual uniform entitlement, an officer will be permitted to use part of his/her entitlement on optional uniform items. A departmental catalog of optional items will be made available to officers.

(ii) Uniform entitlement and optional dollar credit for 1993 will be:

Uniform entitlement - \$494.00 of which \$225.00* may be used as Optional dollar credit. (*In future years the optional dollar credit portion of the Uniform Entitlement will be limited to \$100.00)

NOTE: CN Police recruits will receive a full set of uniform items in their first year of service in lieu of a Uniform Entitlement of optional dollar credit.

C. (i) With this system an officer will know at all times his/her uniform entitlement. The year in which an officer orders the uniform equipment will be the year which will be used for credit purposes.

(ii) Uniform entitlement and optional dollar credit balances will be adjusted during the month of January. New uniform entitlement dollars assigned will be added to the year-end balance from the previous year.

(iii) Uniform entitlement and optional dollar credits have no monetary value and cannot be redeemed for cash.

D. (i) It will be optional for an officer to use their civilian clothing allowance (Article 5.1) and/or their dry-cleaning allowance (Article 5.6) in their uniform equipment credit bank. An irrevocable decision must be made by an officer wishing to take this option at the beginning of the calendar year.

E. (i) Optional uniform and equipment items may only be purchased using Uniform Entitlement or optional credit dollars.

(ii) Only sworn-in CN Police officers may receive items which constitute part of the official CN Police uniform. These restricted items also include optional equipment such as body armour vests, batons, etc., not regularly issued to officers but made available for CN Police duties.

F.**Uniform Entitlement List**

Items	Expected Duration Years	Cost Price \$	Yearly Cost \$
Badge, cap	5	34.50	6.90
Badge cases	5	24.00	4.80
Belt, Sam Browne	3.1	47.00	15.16
Boots, uniform - Soft Soles	1	84.00	84.00 (1)
Caps, summer uniform	1.6	18.85	11.78
Coat, winter - bomber type	3	167.38	55.79 (2)
Coat, winter - car coat length	7	263.48	37.64 (2)
Firearm holster	5	56.30	11.26
Gloves	1	25.30	25.30
Handcuff cases	7	18.95	2.71
Hat, winter - nylon with fur	3.1	51.25	16.53
Jacket, summer nylon	2	56.48	28.24
Mag lites	10	29.50	2.90
Mitts	3	21.85	7.28

Items	Expected Duration Years	Cost Price \$	Yearly Cost \$
Name plates, uniform	3	8.00	2.67
Neckties, clip on	1	2.05	2.05
Notebooks	0.5	5.95	11.90
Notebook covers	2	6.50	3.25
Raincoat, reversible type	5	84.48	16.90
Rain cover for summer cap	2	1.50	.75
Rubbers, full sides	3	17.40	5.80
Scarf	3	6.00	2.00
Shirts, blue, long sleeve	1.05	14.58	13.89 (3)
Shirts, blue, short sleeve	1.05	14.28	13.60 (3)
Shoes, Soft Soles	1	78.00	78.00 (1)
Trousers, uniform	1.35	70.75	52.41
Tunics, uniform	5	162.48	34.78
Winter boots, New	3	104.00	34.67

NOTE: Brackets (), indicate officers are entitled to one or the other such item with the same number appearing beside it.

Yours truly,

(Sgd.) P. Danylwich
Chief, CN Police

cc: W.T. Lineker
Asst. Vice-President
Labour Relations

Addendum No. 2

15 June 1988

Mr. L.K. Myles
President
Canadian National Railway
Police Association
P.O. Box 1317
St. John, N.B.

Dear Mr. Myles:

This letter refers to negotiations to revise Agreements 28.1 and 28.2 as outlined in notices served by the parties on or subsequent to 1 October 1986. As a result of such negotiations, the parties entered into a Stand-by Agreement on 27 April 1988 concerning the application of the terms of the Arbitrator's decisions in the dispute between CN and the Associated Railway Unions (A.R.U.).

One of the items in dispute concerned the matter of complete regional seniority crossing bargaining agent seniority units. In this Award, Mr. Larson provided for the consolidation of seniority units on a regional basis for each of the bargaining agents.

This will confirm that on June 14 and 15, 1988, the consolidation of seniority units was discussed between representatives of the Canadian National Railways Police Association and Canadian National Railway Company to examine the existing bargaining units represented by the Association (Agreements 28.1 and 28.2).

As a result of such discussions, it was agreed that for the purposes of Employment Security, the following principles will

be applied in the application of consolidated seniority units for Agreement 28.1 and Agreement 28.2.

1. All employees holding seniority within the scope of a collective agreement between the Canadian National Railway Police Association and Canadian National Railway shall, on a Region-by-Region basis, be deemed as having their seniority consolidated for the purpose of Employment Security, subject to the provisions of Article 22 of Agreements 28.1 and 28.2, this to include, for employees holding seniority under the scope of Agreement 28.1, the consolidation of Seniority District No. 5 and Seniority District No. 6 on the Atlantic Region. Such seniority (for the purpose of Employment Security) is established on the basis of the employee's first date of entry into a position in a CNRPA bargaining unit. Such date of entry shall not precede the employee's last date of entry into Company service.

2. An employee who is unable to hold work in his/her seniority group on his/her seniority territory as a result of a Technological, Operational and Organizational change and who is eligible for Employment Security, will be required to exercise his/her seniority, established pursuant to Item 1 hereof. Failure to exercise such seniority will result in the forfeiture of Employment Security.

3. These provisions shall operate over any clause in the Collective Agreement to the contrary.

Please signify your concurrence with the foregoing by signing in the space provided hereunder.

Yours truly,

(Sgd) C. St-Cyr
for: Assistant Vice-President
Labour Relations

I CONCUR:

(Sgd) L.K. Myles
President

(Sgd) R.J. Teolis
National vice-President

(Sgd) R. Lizotte
National Secretary

(Sgd) G. Dunkley
National Vice-President

(Sgd) D.N. MacWilliam
National Treasurer

(Sgd) B. Trudeau
National Vice-President

(Sgd) F. Morgan
National Vice-President

(Sgd) R.R. McKay
National Vice-President

Addendum No. 3

15 June 1988

Mr. L.K. Myles
President
Canadian National Railway
Police Association
P.O. Box 1317
St. John, N.B.
E2L 4H8

Dear Mr. Myles:

During the recently concluded round of negotiations, the Association submitted the following proposal concerning Article 6.17 of Agreement 28.2:

"The Company will not use management employees and/or members of Agreement 28.1 to perform, on the normal course, any duties usually performed by members of the bargaining unit as to avoid the overtime provisions of this Agreement or so as to reduce the size of the bargaining unit."

The disposition of the above Association demand was the subject of Appendix "B" to the Memorandum of Settlement between the Company and the Association, signed in Montreal on 26 February 1988. Appendix "B" provided, in part, that the parties would meet during the closed period of the contract and endeavor to reach a mutually acceptable resolution of the issue within 60 days from May 1st, 1988. It was, at that time, agreed that effective 14 March, 1988, the Company would not make use of the so-called "Investigative Units".

On June 1st, 1988, the parties met in Montreal and discussed

this issue. At that meeting, it was mutually agreed that the following would constitute final resolution of the matter: The Company committed itself not to re-establish any of the so-called "Investigative Units"; the Association, concomitantly, withdrew the above proposal concerning Article 6.17 of Agreement 28.2.

If you concur that the above reflects the parties disposition of the matter, will you please so indicate in the space provided below.

Yours truly,

(Sgd) D.C. St-Cyr

For: Assistant Vice-President
Labour Relations

I CONCUR:

(Sgd) L.K. Myles

President

(Sgd) R.R. McKay

National Vice-President

(Sgd) R. Lizotte

National Secretary

(Sgd) R.J. Teolis

National Vice-President

(Sgd) D.N. MacWilliam

National Treasurer

(Sgd) G. Dunkley

National Vice-President

(Sgd) F. Morgan

National Vice-President

(Sgd) B. Trudeau

National Vice-President

Addendum No. 4

August 11, 1995

Mr. F. Morgan
President
Canadian National Railways
Police Association
7232 Corrine Crescent
Mississauga, Ontario
L5N 3P5

Dear Mr. Morgan

This has reference to the matter of pass transportation benefits presently applicable to employees of the Canadian National Railway Company (CN) represented by the Canadian National Railway Police Association, 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 travelling public, the present pass policies of CN will be maintained for employees represented by you who were in the service of CN on or prior to March 13, 1979, until the time notices are served on or subsequent to September 30, 1997, 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 CN. 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 CN, individual transportation privileges will be suspended and the Executive Officer of the Association concerned notified.

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

Yours truly,

(Sgd) W.T. Lineker
Assistant Vice-President
Labour Relations

Addendum No. 5

May 5, 1989

Mr. L.K. Myles
President
Canadian National Railway
Police Association
P.O. Box 1317
St. John, N.B.
E2L 4H8

Dear Mr. Myles:

During the course of current negotiations between the Company and the Canadian National Railway Police Association, the Association submitted a demand requesting that Association dues deductions for its members be shown on T-4 slips.

This will confirm that the Company is prepared to provide Association dues on employees' T-4 slips, subject to the following conditions:

- (a)** The amount of Association dues deducted must be "reportable union dues" as defined by the Income Tax Act. That is, the Association dues deducted by the Company must not contain amounts which are considered unreportable by the Income Tax Act.
- (b)** The Association must provide a finalized certification not more than 15 days following receipt of Association dues deduction data from the Company.
- (c)** Only Association dues deducted directly through the payroll system will be reported on T-4's. The Association will

be responsible for reporting any Association dues transactions outside the Company's control, such as adjustments between unions, direct pay by employee, and direct reimbursement to employee.

Upon receipt of written confirmation that your organization is able to meet the conditions listed above, the Company will make the necessary arrangements to have Association dues deductions appear on T-4 slips for taxation year 1990. If feasible, implementation will be advanced to taxation year 1989.

Yours truly,

(Sgd) D.C. Fraleigh
Assistant Vice-President
Labour Relations

Addendum No. 6

CANADIAN NATIONAL RAILWAY COMPANY

MEMORANDUM OF AGREEMENT between Canadian National Railway Company and the Canadian National Railways Police Association to provide increased protection for Special Agents required to exercise their seniority rights to lower-rated positions.

IT IS AGREED that effective April 1, 1991, subject to ratification of this Memorandum of Agreement, and notwithstanding any other provision in this Agreement 28.2 to the contrary, the following provisions will apply:

- 1.** Special Agents who, as a result of a notice served pursuant to Article 22.38 of Agreement 28.2, are required, in order to hold work, to exercise their seniority to a lower-rated temporary or permanent position will retain their Special Agent rank including the conditions, rates of pay and responsibilities related to such rank.
- 2.** Special Agents, occupying lower-rated positions must, on a regional basis, exercise their seniority rights to any established Special Agent position bulletined in accordance with paragraph 12.3 of Agreement 28.2. Special Agents who fail to apply for such positions will forfeit their Special Agent rank, including the conditions, rates of pay and responsibilities related to such rank, while employed on lower-rated positions.
- 3.** In the application of paragraphs 1 and 2 above, the provisions of paragraph 22.46 - Maintenance of Basic Rates of Agreement 28.2 will not apply.

Signed at Montreal, Quebec, this 29th day of July 1990.

FOR THE COMPANY:

(Sgd) M. Delgreco
for: Assistant
Vice-President
Labour Relations

FOR THE ASSOCIATION:

(Sgd) L.K. Myles
National President

(Sgd) B. Trudeau
National Secretary

(Sgd) D.N. MacWilliam
National Treasurer

(Sgd) F.J. Morgan
National Vice-President

(Sgd) R.R. McKay
National Vice-President

(Sgd) G. Dunkley
National Vice-President

(Sgd) R. Greer
National Vice-President

(Sgd) E.J. Kawecki
National Vice-President

Addendum No. 7-A

Montreal, Quebec

January 16, 1986

Mr. L.K. Myles
President
CN Police Association
P.O. Box 1467
Place Bonaventure
Montreal, Quebec
H5A 1H5

Dear Mr. Myles:

For some time now the Association and some officers of the Police department have expressed varying degrees of dissatisfaction with the current discipline system. Your Association's concerns were manifested in contract demands served in recent years which included changes to the discipline and investigation provisions of Agreements 28.1 and 28.2.

During discussions both the Association and the department recognized that much of the problem with the current system, i.e., the apparent friction, emanated from the system itself. The parties were interested in exploring ways of lessening the formal aspects of the investigation procedure, and undertook to develop a system that would:

- (a) better define the role of the fellow employee or accredited representative appearing with an employee at an investigation;
- (b) allow the Company to assess a level of discipline

without the need for a formal investigation.

* While continuing to adhere to the concept of a formal system for employees involved in major situations, the new system contains a procedure that will, under certain circumstances, permit the Company to assess discipline to a maximum level of fifteen demerit marks without the necessity of a formal investigation. Any discipline assessed may, as usual, be appealed through the grievance procedure, but commencing at Step II.

The new discipline system will have two separate and distinct procedures. One procedure (Informal) will apply in the majority of cases involving incidents which are considered minor in nature. Minor incidents involving employee infractions are defined as those which would warrant fifteen or less demerit marks in the event the employee is found responsible. The second procedure (Formal) will apply in more serious situations, i.e., those falling into what might be termed the major category.

The informal procedure is designed to be simple and easily understood. It does away with the need for any formal statement taking and the traditional question and answer format. It is hoped and indeed expected that this new approach will tend to eliminate or at least substantially reduce the apparent friction caused by the formal method.

In response to the Association's request, the formal procedure contains changes which have been made on an experimental basis. Our belief, however, is that the informal process will prove to be more advantageous for all concerned and that the need for formal statement taking in future will diminish as the success of the informal process becomes evident.

One of the changes to the formal procedure requested by the Association dealt with the role of the "fellow employee"

appearing at investigations. The Association wanted this role redefined with the view to expanding his/her responsibilities at a formal hearing. In fact, the role of the fellow employee has evolved through changes brought about by discussion between the parties and various decisions of Arbitrators throughout the past several years. It is clear that the presence of the fellow employee is not that of a mere observer and that certain rights have now been accepted by the parties. It was therefore agreed, that in the new discipline system, the term accredited representative will be used and the term fellow employee will be dropped. The parties have acknowledged that the additional rights provided the accredited representative will in no way undermine the current procedure which is designed to bring out the facts of the case and to provide for a fair and impartial hearing. It is in the light of this understanding that the Company is prepared to define the role of the accredited representative appearing at a formal investigation as follows:

The employee under investigation may discuss with his accredited representative any questions directly related to and having a bearing on the alleged irregularity under review. However, this practice is not to be abused so as to impede investigation through the employee holding such discussions prior to answering routine questions, such as name, occupation, work location, hours of work, etc. Also, the accredited representative will be permitted to raise questions through the officer conducting the investigation during the course of the investigation. It will be the responsibility of the investigating officer to rule on whether or not such questions are relevant. However, whether considered relevant or irrelevant, the questions and answers will be recorded.

It is to be emphasized that any advice given by the accredited representative to the effect that the employee under investigation should not answer a relevant question will not be accepted by the officer conducting the investigation. The investigation will be conducted in a proper and dignified

manner and at all times under the control of the person conducting the investigation. The role of the accredited representative as well as the officer conducting the formal investigation will be monitored by the Association/Management Monitoring Committee.

The progress of the new discipline system is to be monitored at the System level.

The System Steering Committee comprising the current negotiating groups will continue to meet periodically to monitor the results of the new discipline system, to ensure consistency in application and to adjudicate if necessary, on matters dealing with the overall intent and objectives of the program.

Throughout these discussions, some fear was expressed by both sides that some of the proposed changes would encourage the parties to take advantage of certain situations. The Association expressed the fear that any loosening of the formal structure where traditional safeguards were removed, as in the proposed informal process, would invite certain supervisors to take advantage of employees who were now stripped of the protection provided by the formal system. Assurances were given that this aspect would be carefully monitored to ensure proper application in line with the principles involved.

On the other hand, some officers of the Police department are apprehensive that certain people might misconstrue the introduction of this change as signalling a new laissez-faire approach to discipline and are concerned that performance factors, i.e. accidents, personal injuries, etc., might suffer as a consequence.

In fact, neither of these perceptions is correct. Both the Company and the Association agree that there must be some form of discipline system. It is therefore, not a question of

whether some action will be taken, but rather a question of the mode or process that will be employed to bring about the desired result in keeping with the philosophy of the Company's discipline policy. The success of the new discipline system will depend to a large extent on the good faith and genuine commitment of those involved. To aid in this endeavour, the Company will provide appropriate training for both Company and Association (Local) officers directly involved. Association officers will be paid for such training. In addition, those employees affected by the changes will be apprised of the program jointly by Association and Management officers and informed of the discipline provisions that will apply to them.

Would you please indicate your concurrence with the foregoing by signing this letter in the space provided below.

Yours very truly,

(Sgd) D.C. Fraleigh
Assistant Vice-President
Labour Relations

I CONCUR:

(Sgd) L.K. Myles
President - CNRPA

(Sgd) F.R. Daigneau
4th Vice-President

(Sgd) P.M. Troy
1st Vice-President

(Sgd) R. Lizotte
5th Vice-President

(Sgd) R. Greer
2nd Vice-President

(Sgd) L.K. Myles
Treasurer

(Sgd) R.R. McKay
3rd Vice-President

(Sgd) R. Garand
Secretary

* Paragraph amended by memorandum of agreement
dated November 26, 1992.

Addendum No. 7-B

CANADIAN NATIONAL RAILWAY COMPANY

MEMORANDUM OF AGREEMENT between the Canadian National Railway Company and the Canadian National Railways Police Association respecting the introduction of formal/informal investigation procedures for Special Agents hired or promoted on or subsequent to April 1, 1991.

IT IS AGREED that:

1. Effective April 1, 1991, subject to ratification of this Memorandum of Agreement, paragraphs 14.7 and 14.8 of Agreement 28.2 are suspended in respect of those employees hired or promoted to a position covered by this Agreement on or subsequent to April 1, 1991, and the procedure outlined herein will apply in their stead:

2. INFORMAL INVESTIGATION

* **(a)** Subject to the provisions of sub-paragraph (a) (ii) of Item 3, minor incidents will be handled without the necessity of a formal investigation. In such cases, employees shall be offered an irrevocable choice of either a formal or informal investigation. Employees will be asked to make their choice in writing.

(b) Such incidents will be investigated as quickly as possible by a proper officer(s) of the Company and subsequently reviewed with the employee(s) concerned.

(c) In cases where the assessment of discipline is warranted, the employee will be advised in writing within 14 days from the date the incident is reviewed with the employee. A copy of the Incident Report and a copy of the Form 780 issued will be sent to the appropriate member of the National

Executive.

* **(d)** When an employee is notified of the conclusions reached by the Company, and of the discipline assessed, if any, he/she shall, if such is not acceptable to him/her, have the right to initiate an appeal of the discipline in accordance with the grievance procedure of the respective Collective Agreements, but commencing with Step Number Two.

3. FORMAL INVESTIGATION

(a) A formal investigation will be held as soon as practicable;

(i) in the case of an employee committing an alleged dismissable offence;

(ii) when an employee is alleged to have committed a minor offence where the seriousness of such offence might warrant discipline to the extent that when added to his/her current discipline record could result in discharge for accumulation of demerit marks;

(iii) when an employee is alleged to have been involved in a major incident;

(iv) when an employee is involved in an incident where the need for information and appropriate documentation is required by order, regulation or Company requirements.

(b) When required to attend a formal investigation, an employee will be given at least 3 days' notice in writing. The notice will include the date, time, place and subject matter of the hearing.

(c) Where an employee wishes to have one or two accredited representatives appear with him/her at a

hearing and such representative cannot be made available for the time set for the hearing, the employee, either directly or through an accredited representative, may seek a delay in the hearing sufficient for the Association to have an accredited representative made available. Concurrence to such a request will not be unreasonably withheld by the proper officer of the Company. Application of this provision will not result in a need for a second notice period under the terms of item (b) above.

The following Association officers will be considered accredited representatives:

Members of the National Executive of the Association and Executive members of Locals.

**** (d)** Where an employee so wishes, one or two accredited representatives may appear with him/her at the hearing. Upon being notified of the hearing, the employee will be provided with a copy of all the written evidence as well as any oral evidence which has been recorded and which has a bearing on his/her involvement. This will not, however, prevent other new evidence from being introduced at the hearing. The employee and his/her accredited representative will have the right to hear all of the evidence submitted and will be given the opportunity through the presiding officer to ask questions of attending witnesses (including Company officers where necessary) whose evidence may have a bearing on his/her involvement. The questions and answers will be recorded and the employee and his/her accredited representative will be furnished a copy of the statement.

(e) If corrective action is to be taken, the employee will be so notified in writing of the Company's decision within 14 days from the completion of the employee's investigation. Such notification will be given at the same time or after the employee is personally interviewed by the appropriate Company officer unless the employee is not

available for such an interview within the time limit prescribed.

(f) Employees will not be held out of service pending investigation unless:

(i) the circumstances of the incident are such that there is reason to believe that the employee's continued performance on the job could constitute a hazard to himself/herself, other persons or the operations;

(ii) the offence is considered sufficiently serious to warrant such action;

(iii) it is essential to carrying out the investigation.

(g) Except as otherwise mutually agreed, the officer conducting the hearing shall be the individual who is in the best position to develop all of the relevant facts, provided such individual is not directly involved in the incident.

(h) In determining corrective action, only the employee's discipline record of the last five years prior to the incident under investigation will be considered.

(i) An employee who is held out of service while under investigation, except in cases where the offence with which charged is of a nature which may result in suspension or dismissal, will be paid for any loss of schedule wages. Suspension will commence from the date the employee is removed from service. Dismissal will be effective on the date the decision is made to dismiss the employee.

(j) Except in cases of dismissal, an appeal against discipline imposed may be initiated at Step Number Two of the grievance procedure. Should discipline after appeal be found to be unjust, resulting in cancellation of such discipline, the employee will be paid at schedule wages for each day lost, exclusive of any amount earned by whatever means.

He/she will also be reimbursed for any reasonable expenses incurred if required to be away from home in connection with the investigation.

4. The time limits specified in this Memorandum of Agreement may be extended by mutual agreement of the parties.

5. This Memorandum of Agreement is subject to cancellation by the signatory parties to the Agreement on thirty days' written notice to the other party. If this Memorandum is cancelled, the provisions of the various articles of Agreement 28.2 referred to in Item 1 of this Memorandum of Agreement will automatically apply as from the first calendar day following expiration of the thirty days' notice referred to in the first sentence of this Item 5.

Signed at Montreal, Quebec, this 29th day of July 1990.

FOR THE COMPANY:

FOR THE ASSOCIATION:

(Sgd) M. Delgreco
for: Assistant
Vice-President
Labour Relations

(Sgd) L.K. Myles
National President

(Sgd) B. Trudeau
National Secretary

(Sgd) D.N. MacWilliam
National Treasurer

(Sgd) F.J. Morgan

National Vice-President

(Sgd) R.R. McKay
National Vice-President

(Sgd) G. Dunkley
National Vice-President

(Sgd) R. Greer
National Vice-President

(Sgd) E.J. Kawecki
National Vice-President

* Paragraphs amended by memorandum of agreement dated November 26, 1992.

** Paragraph amended by memorandum of agreement dated June 14, 1995.

Addendum 8

November 26, 1992

Frank Morgan
President
Canadian National Railway
Police Association
7232 Corrine Crescent
Mississauga, Ontario
L5N 3P5

Dear Mr. Morgan:

During this round of negotiations the Association agreed to amend the provisions of Article 22, Employment Security and Income Maintenance, to provide that employees in receipt of lay off benefits or Employment Security status would be required to fill non-scheduled positions of any duration on their seniority territory.

The Association raised the concern as to whether employees filling temporary non-scheduled assignments away from their home location would be provided transportation, accommodation and meals while filling such assignments.

This letter will confirm that employees filling temporary non-scheduled positions pursuant to Article 22 of the collective agreement will be provided with transportation, lodging and meals in accordance with the policies and practices governing non-scheduled employees on the region to which they are assigned.

Yours truly,

(Sgd.) S. McConville
for: Assistant Vice-President
Labour Relations

cc: Mr. P. Danylewich
Chief, CN Police

Addendum No. 9

August 11, 1995

J. Furber
Director - CN Police
Western Canada
Edmonton, Alberta

D. Chamass
Director - CN Police
Eastern Canada
Montreal, Quebec

The following is a reminder that if and where required, duty rosters must be prepared and posted 72 hours prior to their effective date (article 6.4 of Collective Agreement 28.2).

When a situation occurs where posted duty rosters have to be changed due to unforeseen circumstances, always give as much notice as possible to the employees concerned.

(Sgd) R. Charest
Chief, CN Police

Addendum No. 10

August 11, 1995

Frank Morgan
President
Canadian National Railway
Police Association
6479 Miller's Grove
Mississauga, Ontario
L5N 3E5

Dear Mr. Morgan:

During this round of negotiations, the Association proposed that employees who sever from the Company be relocated at the cost of the Company.

The Company agreed to resolve this matter by providing a free freight order to employees who elect to sever their employment and return to the original work location under either agreements 28.01 or 28.02.

To be eligible the employee must have moved while exercising seniority either by displacement or bid under the CN Police Department Collective Agreements.

Yours truly,

(Sgd) R. Charest
Chief, CN Police

Addendum No. 11

June 14, 1995

Mr. F. J. Morgan
President
Canadian National Railway Police Association
6479 Miller's Grove
Mississauga, Ontario
L5N 3E5

Dear Mr. Morgan:

The settlement between CN and your Association provides for extensive changes to the current Employment Security and Income Maintenance . The nature of collective bargaining is such that the new language needed to reflect such changes was developed under tight time constraints. While the parties made every reasonable effort to ensure that the revised wording truly reflects the intent of the changes agreed to, it is recognized that legitimate differences of opinion as to the proper application of the new rules can occur.

In handling such situations, it is agreed that the Labour Adjustment Committee established in the Employment Security and Income Maintenance Article would review any disagreement as to the application of the new rules.

It is understood that every practical alternative to resolve such disputes will be explored before resorting to arbitration. In the event arbitration is necessary, it will be on an expedited basis.

If the above reflects the understanding of the parties, please sign below.

Yours truly,

(Sgd) D.W. Coughlin
for: Assistant Vice-President
Labour Relations

I AGREE

(Sgd) F. Morgan
President
Canadian National Railway Police Association

Addendum No. 12

June 14, 1995

Mr. F.J. Morgan
President
Canadian National Railway Police Association
6479 Miller's Grove
Mississauga, Ontario
L5N 3E5

Dear Mr. Morgan:

During negotiation of the Employment Security and Income Maintenance Article, concerns were raised with regard to mobile homes not being moveable and the amounts payable for relocation purposes.

It was agreed that the current practice would be applied, whereby if it is determined by an independent appraiser that a mobile home is not moveable, homeowner provisions would apply.

Yours truly,

(Sgd) D.W. Coughlin
for: Assistant Vice-President
Labour Relations

Addendum No. 13

June 14, 1995

Mr. F.J. Morgan
President
Canadian National Railway Police Association
6479 Miller's Grove
Mississauga, Ontario
L5N 3E5

Dear Mr. Morgan:

During negotiation of the new Employment Security and Income Maintenance Article, concerns were raised by the Association in regard to the length of entitlement to employment security under Article 22.35 when an eligible employee has taken work outside the Company as determined by the Labour Adjustment Committee.

It is understood that an employee who receives less income while working outside the Company than the employee's employment security salary will have such income topped off to equal 100% of the employment security salary. It is also understood that the employee's employment security entitlement period will not be reduced by the number of weeks of top off received.

Yours truly,

(Sgd) D.W. Coughlin
for: Assistant Vice-President
Labour Relations

Addendum No. 14

June 14, 1995

Mr. F.J. Morgan
President
Canadian National Railway Police Association
6479 Miller's Grove
Mississauga, Ontario
L5N 3E5

Dear Mr. Morgan:

In negotiating expanded job opportunities for employees adversely affected by a change pursuant to a notice under Article 22.38, questions were raised in regard to the protection that would be afforded to employees who were required to accept any of the expanded job opportunities.

Employees who are required to relocate beyond the Region pursuant to Articles 22.32 to 22.37D inclusive, of the Employment Security and Income Maintenance Article, if adversely affected by a Technological, Operational or Organizational Change or laid off, regardless of the reason, within one year, will revert back to the benefits available under Articles 22.32 to 22.37D, without having to relocate for a period of two years. Prior to employees being required to accept such positions pursuant to Articles 22.32 to 22.37D, the Labour Adjustment Committee will assess, to the extent possible, the stability of such positions.

When an employee has relocated beyond the Region and such employee is subsequently affected by a permanent change within a two (2) year period, the employee will not be considered as having voluntarily ceased the employment relationship with the Company pursuant to Articles 22.36C

and 22.37C. Employees who are required to accept positions within the operating group, where earnings are irregular, will have their earnings adjusted on a quarterly basis.

Yours truly,

(Sgd) D.W. Coughlin
for: Assistant Vice-President
Labour Relations

Addendum No. 15

June 23, 1998

Frank J. Morgan
National President
Canadian National Railways
Police Association
6479 Miller's Grove
Mississauga, Ontario L5N 3E5

Dear Mr. Morgan:

This has reference to our discussions held during the current round of negotiations, related to the issue of off-duty employees being required to carry cellular telephones and/or pagers.

In consideration that the strategic direction of CN Police services is to become more aligned with our internal customers and able to provide a timely response when required, there is a valid recognition that a number of off-duty employees may carry cellular telephones and/or pagers. The Company provides its assurance that no employee will be requested to carry cellular telephones and/or pagers unless otherwise mutually agreed and validated by the National President or designate.

All CN Police Department personnel will be advised of the foregoing.

Yours truly,

(Sgd) J. Dalzell
Chief, CN Police

Addendum No. 16

June 14, 1995

Mr. F.J. Morgan
President
Canadian National Railway Police Association
6479 Miller's Grove
Mississauga, Ontario
L5N 3E5

Dear Mr. Morgan:

During the current round of negotiations, the Association proposed that the Collective Agreements be amended to provide for a more simplified manner of dealing with investigations and discipline. Following our discussions in this matter, the parties agreed to negotiate revisions to the Collective Agreements when the existing Company Policy on Corrective Discipline is revised or replaced.

Would you please indicate your concurrence with the foregoing by signing this letter in the space provided below:

Yours truly,

(Sgd) D.W. Coughlin
for: Assistant Vice-President
Labour Relations

I CONCUR

(Sgd) F.J. Morgan
National President - CNRPA

**Benefits for Employees
Represented by a Bargaining Agent in Canada
(Excluding Train and Engine Service Employees)**

Benefit Plan

Weekly Indemnity Benefit
Maternity Leave Supplement Benefit
Basic Life Insurance
Optional Life Insurance
Basic Accidental Death & Dismemberment Insurance

Dental Plan

Extended Health and Vision Care

Canadian National Railway Company

**Benefit Plan For Employees
Represented by a Bargaining Agent in Canada
(Excluding Train and Engine Service Employees)**

Weekly Indemnity Benefit

Maternity Leave Supplement Benefit

Basic Life Insurance

Optional Life Insurance

Basic Accidental Death & Dismemberment Insurance

FOREWORD

This booklet explains the benefits available to you under the Benefit Plan for Employees Represented by a Bargaining Agent in Canada (Excluding Train and Engine Service Employees), put in place as the result of negotiations between Canadian National Railway Company and the labour unions.

The Plan provides for:

- weekly indemnity benefits in the event you become disabled
- weekly benefits to supplement your Employment Insurance Sickness Benefits, your Employment Insurance Maternity Benefits
- basic life insurance (including a provision for accidental death)
- optional life insurance
- basic accidental death & dismemberment insurance

A new Optional Life Insurance Program has been created to allow employees the opportunity to purchase up to a maximum of \$100,000 (in units of \$25,000) of additional term life insurance for themselves through regular monthly payroll deductions.

A new Basic Company-paid Life Insurance Program has been introduced to cover employees for an additional \$100,000 benefit for an at work-related accidental death & dismemberment.

The cost of the Plan is currently paid by the Company (except for Optional Life Insurance). Weekly indemnity, basic & optional life insurance benefits are administered by Sun Life of Canada. Basic Accidental Death & Dismemberment Insurance is administered by American Home Assurance Company.

What follows is a summary of the main features of the Plan. While every effort has been made to ensure that this booklet is accurate, the official insurance contracts or collective agreements are the governing documents. This Plan is also intended to comply with all federal and provincial laws. In the event of any conflict, the terms of any applicable laws will govern.

Please read this booklet carefully and keep it for reference.

Please address any enquiry for further information about this Benefit Plan to your Operations Service Centre (OSC).

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ELIGIBILITY

You are eligible to participate in the **Benefit Plan for Employees Represented by a Bargaining Agent in Canada (Excluding Train and Engine Service Employees)** if you render compensated service under one or more of the Collective Agreements specified in the Master Agreements or Memoranda of Agreement or if you are a member of a bargaining unit which has been admitted to coverage under the Plan.

As a **new employee**, you are covered on the first day of the month following your completion of sixty (60) days of employment relationship with Canadian National Railway Company. If you are not actively at work on that day for a reason other than that it is a general holiday or an assigned rest day, your coverage will become effective on the day you return to active full-time work. If you are absent on the scheduled effective date because it is a general holiday or an assigned rest day, your coverage will begin on that day.

Coverage continues from the first day of each month provided you rendered compensated service in the preceding month.

No enrolment is required.

WEEKLY INDEMNITY BENEFIT

Weekly Indemnity is compensation you receive for loss of wages because of **non-occupational** accident, injury or illness **for which you have been seen and are being treated by a licensed medical doctor.**

Amount of Benefit

If you currently become disabled, the maximum Weekly Indemnity benefit payable is:

Amount of your weekly base pay	Amount of weekly indemnity
\$120.01 or more	70% of your weekly base pay up to a maximum of \$510 (*) or up to the Employment Insurance maximum weekly payment, whichever is greater.
\$120 or less	\$80 or 75% of weekly base pay, whichever is less.

- (*) Effective January 1, 1999, the amount of weekly indemnity will be 70% of your weekly base pay up to a maximum of \$520. This amount will increase to \$530 on January 1, 2000.

Weekly Indemnity Benefits are taxable income. For each day that you are entitled to these benefits, you will receive one-seventh of the weekly rate.

While you are in receipt of Weekly Indemnity benefits, you will also receive benefits for a general holiday or an assigned rest day provided you do not receive pay for that day.

Starting Date of Benefit payments

Weekly Indemnity is payable from:

- the first day if your disability is caused by an accidental injury;
- the first day of sickness if you are hospitalized at any time for your disability. However, the benefit is payable from the fourth day if you have a recurrence of the same disability and you are not hospitalized for the second or subsequent period of disability;
- the fifteenth day for the second and subsequent program for rehabilitation for alcohol or drug abuse;
- the fourth day in other cases of sickness, including disability caused by a sprain, strain or hernia.

Duration of Benefit Payments

The maximum length of time you will receive Weekly Indemnity benefits is as follows:

- 26 weeks for any one period of disability due to the same or a related cause, if you are not eligible for Employment Insurance Sickness Benefits;
- If you are eligible for Employment Insurance Sickness Benefits:
 - (i) You will receive Weekly Indemnity benefits for up to 15 weeks.

If your first 15 weeks benefit period ends on any day other than a Saturday, you will receive Weekly Indemnity benefits until the next Saturday, following the end of the fifteenth week.

(ii) If you are still disabled after 15 weeks, you must apply to Human Resources Development Canada for Employment Insurance Sickness Benefits for up to a maximum of 15 weeks.

(iii) If you are still disabled, when your Employment Insurance Sickness Benefits terminate, you may apply again for Weekly Indemnity benefits for up to a maximum of 11 weeks.

See the Section "HOW TO MAKE A CLAIM".

Termination of Coverage

Your eligibility for Weekly Indemnity coverage ends:

- on the date you terminate your service with CN. Your service is considered terminated on the day you stop active work for CN. However, there are situations when your eligibility for Weekly Indemnity benefits is maintained. These circumstances are outlined in the next Section entitled "CONTINUATION OF COVERAGE";
- on the date you cease to be eligible for this benefit for any other reason; or
- the date on which the Weekly Indemnity Plan is terminated.

Continuation of Coverage

If you become disabled in the following situations and you are unable to return to work on the scheduled date because of your disability, your Weekly Indemnity coverage will begin on the scheduled day of return to work had you not been disabled. In case of injury or sickness requiring hospitalization, benefits will begin the first day you would have returned to work, and in other cases of sickness, on the fourth day.

The situations referred to above are as follows:

- While you are on vacation with pay; however, you have the right to temporarily terminate your vacation and apply for Weekly Indemnity benefits, immediately;
- While you are on approved leave of absence and undergoing treatment and rehabilitation at the expense of a Workers' Compensation authority;
 - Eligibility ceases when it becomes evident, based on information from the Workers' Compensation authority, that you are permanently unable to perform the work you performed prior to your absence, and CN has no other work to offer you;
- For up to 17 weeks while you are on a CN approved leave of absence for maternity;
- For up to 24 weeks while you are on a CN approved leave of absence for child care;
- While you are on bereavement leave, or CN compensated jury duty leave;
- While, as a union officer you are on temporary leave of absence to perform union duties, provided you have compensated service in the current month or previous month; or
- If you are laid off or granted a leave of absence, and in the same calendar month you are recalled to work, or, you are entitled to and bid and replace another employee or fill a vacancy, or you are due to return to work from leave of absence on the day agreed to in advance.

Your status as an eligible employee continues while you are entitled to Weekly Indemnity benefits under this Plan or to Employment Insurance Sickness Benefits.

You may not continue Weekly Indemnity coverage on an individual basis when your eligibility for coverage ceases.

If you are laid off **after** becoming disabled, Weekly Indemnity benefits will continue to be paid for up to 15 weeks from the date your disability began.

If you become disabled **prior to a strike or a lock-out**, Weekly Indemnity benefits will continue to be paid while you remain disabled for up to 15 weeks from the date your disability began.

Limitations

Weekly Indemnity benefits **are not** payable:

- for any period of disability during which you have not seen and received treatment from a licensed medical doctor;
- for any period during which benefits are payable to you under Workers' Compensation legislation, unless such compensation is payable with respect to a previously incurred partial disability which permits continuation of your employment;
- for that portion of any period of disability during which you are in receipt of a retirement pension under the CN Pension Plan or general holiday pay or vacation pay;

⇒ However, if you are injured or become ill during your annual vacation, you have the right to temporarily terminate your vacation and to apply for Weekly Indemnity benefits.

- if you become disabled while on strike or during a lock-out;
- for any period during which you are engaged in any occupation for wage or profit;
- in respect of disability directly or indirectly due to or resulting from any of the following:
 - ⇒ intentionally self-inflicted injury while sane or insane;
 - ⇒ war, insurrection, hostile action of the armed forces of any country, or participation in any riot or civil commotion;
 - ⇒ bodily injury sustained while performing any act or occupation for wage or profit other than on behalf of the Railway;
 - ⇒ any cause for which indemnity or compensation is payable under Workers' Compensation legislation.

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- during any period for which you are eligible for Employment Insurance Maternity Benefits.
- for any period solely due to the abuse of alcohol and/or drugs unless you meet all the requirements listed in the Section of this booklet entitled *Benefits* -

Program Of Rehabilitation For Alcohol Or Drug Abuse.

How to Make a Claim

A. Weekly Indemnity - First 15 weeks of Disability

It is very important that you file a claim for Weekly Indemnity as soon as you are entitled to the benefit. **Do not delay.** The claim must reach Sun Life within thirty (30) days from the beginning of your disability, unless it can be shown that it was not reasonably possible to do so.

Please contact your Operations Service Centre (OSC) to initiate the Weekly Indemnity claim process. Your doctor must complete the *Attending Physician's Statement*. As indicated, please return forms to the OSC or the insurance company. Cheques from Sun Life will be sent to you.

Any charge to complete the "Attending Physician's Statement" is the employee's responsibility.

The insurance company has the right to request you to be examined by their own doctor, in which case they will pay fees for examination.

The above procedure can be modified to maintain confidentiality. For more details, contact your Operations Service Centre (OSC).

B. Employment Insurance Sickness Benefits Second 15 Weeks of Disability

If your disability is expected to continue you must apply to Human Resources Development Canada **no later than the 14th week of your disability** for Employment Insurance Sickness Benefits. Be sure to obtain the necessary forms (record of employment) from your Operations Service Centre (OSC) in time to file your claim **no later than** the 14th week.

As you receive your cheques from Human Resources Development Canada, detach the cheque stub and send it to your supervisor. If you are eligible to have your Employment Insurance Sickness Benefits supplemented, your supervisor will process the claim to Sun Life through your Operations Service Centre (OSC).

If you did not keep your cheque stubs you will have to ask Human Resources Development Canada to give you a letter showing the amount of Sickness Benefits you received each week.

If during a week you would normally receive Employment Insurance Sickness Benefits but you do not receive a benefit or you receive a reduced benefit because you have earnings during that week, you may not file a claim for Weekly Indemnity benefits for that week.

C. Weekly Indemnity - Next 11 weeks of Disability

Two weeks before your Employment Insurance Sickness Benefits terminate, contact your Operations Service Centre (OSC) to initiate the claim process for Supplementary Weekly Indemnity benefits.

Your doctor must complete the *Attending Physician's Statement*.

As indicated, please return forms to your Operations Service Centre (OSC) or the insurance company.

Cheques will be sent to you directly from Sun Life of Canada.

If you receive a cheque which covers a period for which you are not entitled to a Weekly Indemnity benefit, return it immediately to your Operations Service Centre (OSC).

Any charge to complete the *Attending Physician's Statement* is the employee's responsibility.

Sun Life, as Plan Administrator, has the right to request you to be examined by its own doctor and at its own expense.

Second or Subsequent Periods of Disability

If, after being disabled for a reason other than alcohol or drug abuse, you return to work and become disabled again, the following will apply to the second period of disability:

It will be considered a continuation of the previous claim; **however:**

- If the second disability is **totally unrelated** to the first disability, it will be considered a new claim.
- If you have been back at work, **full-time, for two (2) consecutive weeks** following **total recovery** from the first disability, the second will be considered as a new claim.
- If you have been back at work, **full-time, for at least four (4) consecutive**

weeks, and you become disabled again from the same illness or injury, your second claim will be considered a new disability period.

- .
- When counting two weeks (14 days) or 4 weeks (28 days), assigned rest days and statutory holidays are included. Vacation days are not included.
- .

Benefits - Program of Rehabilitation for Alcohol and Drug Abuse

While taking part in a program of rehabilitation, you may be eligible for Weekly Indemnity benefits up to a maximum of 15 weeks, provided,

- You seek adequate treatment; and
- You are declared by your doctor to be unable to perform your duties because of alcohol and/or drug abuse; and
- You are recommended by your employer's medical officer for a program of rehabilitation; and

You are satisfactorily participating in a program of rehabilitation deemed appropriate by the Company.

If you return to work and **again participate** in a rehabilitation program, you will be eligible for Weekly Indemnity benefits up to a maximum of 15 weeks, provided:

- You have fulfilled the requirements listed above; and
- You have been at work, **full-time, for ninety (90) consecutive days** since the termination of the last period of disability.

However, **for the second or subsequent claim**, the waiting period before Weekly Indemnity becomes payable is fourteen (14) days.

Calculation of Weekly Base Pay

- If you are **hourly rated**, your base pay will be your hourly rate multiplied by the number of regularly scheduled hours per week.
- If you are **daily rated**, your base pay will be your daily rate multiplied by the number of regularly scheduled days per week.
- If you are **monthly rated**, your base pay will be your monthly rate divided by 4-1/3.
- If you are paid on a **mileage basis**, your base pay will be calculated on the weekly average of the miles paid for within the six pay periods immediately preceding the date of your disability.
- If you are a spare board, relief, casual or similar type of employee, your base pay will be calculated using your average weekly earnings during the six (6) consecutive complete pay periods (12 weeks) in which you received earnings immediately preceding the beginning of your disability.

However, if while still disabled and receiving Weekly Indemnity based on this average, you become entitled to a regular assignment, you will be eligible for Weekly Indemnity benefits based on the regular formula appropriate to your new assignment, from the date of your application for such assignment. Contact your Operations Service Centre (OSC) for the procedure to be followed to apply for increased Weekly Indemnity benefits.

MATERNITY LEAVE SUPPLEMENT

The Maternity Leave Supplement is an amount paid for up to seventeen weeks while you are on a Company approved leave of absence for maternity.

If you satisfy the eligibility requirements to participate in this Benefit Plan as described at the beginning of this booklet and you receive Employment Insurance Maternity Benefits, you are eligible to claim for the Maternity Leave Supplement.

Your Employment Insurance Maternity Benefits will be supplemented by this Plan so that you will receive 70% of your base pay, up to a maximum weekly benefit of \$510 (*) for up to 15 weeks.

- (*) Effective January 1, 1999, the amount of weekly indemnity will be 70% of your weekly base pay up to a maximum of \$520. This amount will increase to \$530 on January 1, 2000.

To file a claim, send to your Operations Service Centre (OSC) the cheque stubs from your Employment Insurance cheques, as you receive them. Your claim will be processed to Sun Life and cheques will be sent directly to you.

When you return to work with CN, you may apply to your Operations Service Centre (OSC) for a maternity leave benefit for those days during the two-week waiting period for the Employment Insurance Maternity Benefits for which you did not receive earnings. The maximum amounts referred to above also apply to this benefit.

To determine your weekly base pay refer to the previous section of this booklet entitled *Calculation of Weekly Base Pay*.

LIFE INSURANCE

BASIC LIFE INSURANCE

Basic Life Insurance is payable in a lump sum if, while insured, you die from any cause. If you are actively at work, the amount for which you are insured is \$28,000, provided you remain continuously covered. This coverage will increase to \$29,000 on January 1, 1999, and to \$30,000 on January 1, 2000.

Beneficiary Nomination

It is in your best interest to designate a beneficiary. In the absence of a beneficiary, the life insurance proceeds will be paid to your Estate. In the absence of a will, life insurance benefits will be distributed to your survivors in accordance with provincial laws, which may not reflect your intentions or wishes. In such cases, there are often disbursement handling fees, as well as a delay to the estate settlement process.

Beneficiary nomination cards are available through your Operations Service Centre (OSC).

Payment shall constitute a complete discharge of Sun Life's responsibility to the extent of the amount of the payment.

Termination of Coverage

Your basic life insurance will terminate at the end of the month in which you terminate your service with CN. Your service is considered terminated on the day you stop active work with CN. However, there are situations under which you may maintain life insurance coverage. These situations are outlined in the section entitled *Life Insurance, Continuation of Coverage*.

Conversion

If you leave the service of CN or retire you may convert your basic life insurance to an individual policy. To do so, you must apply to Sun Life within 31 days of the date your basic life insurance terminates. Contact your Operations Service Centre (OSC) for assistance. When writing to Sun Life be sure to quote your name, address, PIN (employee no.) and Policy no. 50235.

In the event you die during this 31-day conversion period, the amount you were eligible to convert will be paid as a death claim.

Continuation of Coverage

Disability

If you become disabled, your basic life insurance will be maintained at no cost to you for a **maximum of six (6) months** from the end of the month in which you ceased active work due to your disability, **provided** you are receiving Weekly Indemnity benefits or Employment Insurance Sickness Benefits.

You may continue your basic life insurance for an **additional six (6) months** by paying your premium direct to Sun Life. Ask your Operations Service Centre (OSC) for the current year information circular entitled *Direct Payment of Premiums for Employees Off Payroll*.

If in the ninth full calendar month following your date last worked you are still disabled and off work, you must take action to maintain your basic life insurance in force beyond the twelfth month of disability by doing the following **(a)** or **(b)**:

(a) If your disability began **prior to your 60th birthday** you must apply to Sun Life to have a portion of your basic life insurance maintained in force on account of total disability without payment of premium. You have one year from your date last worked to make an application under the waiver of premium provision. If you do not, your basic life insurance will terminate. When you write to Sun Life be sure to quote your name, address, PIN (employee number) and Policy no. 50235. You will be required to provide Sun Life with proof of total disability for any occupation. Contact your Operations Service Centre (OSC) for assistance.

The full amount of your basic life insurance will be maintained in force for the first 12 months from the last day of the month in which you last worked, provided you have followed the instructions above and have maintained employee status.

The basic life insurance will reduce to \$5,000 either after 12 months from the

end of the month in which you last worked or on the first day of the month following your retirement date, whichever occurs first (provided you have applied under the waiver of premium provision and you have been making direct payment of premiums). The life insurance, under the waiver of premium provision, will terminate if you retire and you are eligible for post-retirement term life insurance.

You may apply to Sun Life to convert any amount of lost coverage (maximum is basic life less any remaining coverage) under your basic life insurance to an individual policy, provided you do so within 31 days from the effective date of the reduction of your insurance coverage. During this 31-day period, you are not required to take a medical examination.

(b) If your disability began **after your 60th birthday** and you have not yet retired, your insurance will terminate 31 days from the end of the 12th month following your date last worked (provided you have been making direct payment of premiums). Within this 31-day period you may apply to Sun Life to convert part or the entire amount of your basic life insurance to an individual policy. . You are not required to take a medical examination. Contact your Operations Service Centre (OSC) for assistance. When writing to Sun Life, be sure to quote your name, address, PIN (employee number) and Policy no. 50235.

However, if you retire during the 12-month period following the onset of your disability, your basic life insurance will terminate 31 days following your retirement date. Within this 31-day period you may apply to Sun Life to convert any amount of lost coverage (maximum is basic life less post-retirement life insurance) or, if ineligible for post-retirement life insurance, the full amount of your basic life insurance to an individual policy. You are not required to take a medical examination. Contact your Operations Service Centre (OSC) for assistance.

Workers' Compensation

In cases of leave of absence due to disability covered by **Workers' Compensation**, your life insurance coverage will be maintained at no cost to you for the entire period during which you are undergoing treatment and rehabilitation at the expense of a Workers' Compensation authority. When you cease treatment and rehabilitation (or if you are advised that your rehabilitation will not enable you to return to your former duties and no other position is available), you should immediately contact your Operations Service Centre (OSC) for the current year information circular entitled *Direct Payment of Premiums for Employees Off Payroll*.

If you are **receiving Weekly Indemnity benefits or Employment Insurance**

Sickness benefits, your basic life coverage will remain in force up to 6 months from the end of the month in which you ceased treatment and rehabilitation. If you are **not** receiving benefits, you have 31 days from the end of the month in which you ceased treatment and rehabilitation to write to Sun Life should you wish to convert part or the entire amount of your basic life insurance to an individual policy. **If your disability began prior to your 60th birthday**, you should also apply to have a portion of your basic life insurance maintained in force on account of total disability without payment of premiums.

If in the **9th full calendar month following the end of the month in which you ceased treatment and rehabilitation you are still disabled and off work and making direct payment of premiums**, you must take action and write to Sun Life should you wish to convert part or the entire amount of your basic life insurance to an individual policy. If your **disability began prior to your 60th birthday**, you should also apply to have a portion of your group life insurance maintained in force on of account total disability without payment of premiums beyond the 12-month period.

Your **coverage terminates** on the earliest of the following dates:

- the date it becomes evident, based on information from the Workers' Compensation authority, that you are permanently unable to perform the work you performed prior to your absence, and the Company has no other work to offer you and you are not entitled to receive weekly indemnity benefits;
- your retirement date; or
- the date you leave the service of CN.

Maternity Leave

In cases of leave of absence for maternity, your coverage will be continued at no cost to you as long as you are receiving Employment Insurance Maternity Benefits, for up to a maximum of 15 weeks. When you cease receiving Employment Insurance Maternity Benefits, you may continue your basic life insurance for up to a maximum of 12 months from the end of the month in which you last worked by paying the required premium to Sun Life. Contact your Operations Service Centre (OSC) for the current year information circular entitled *Direct Payment of Premiums for Employees Off Payroll*.

Layoff or Leave of Absence

In cases of layoff and leave of absence other than those mentioned above, basic life insurance coverage can be maintained by direct payment of premiums to Sun Life for up to 12 months from the end of the month in which you last worked. Contact your Operations Service Centre (OSC) for a copy of the current year information circular entitled *Direct Payment of Premiums for Employees Off Payroll*.

You may, after maintaining your coverage for 12 months by paying the premium direct, apply to Sun Life to have your life insurance converted to an individual policy if you have **five (5) or more years of service**. You have 31 days from the date your coverage terminates to write to Sun Life.

Reinstatement of Life Insurance

If your basic life insurance terminates while you are on layoff or leave of absence, it will be reinstated on the first day of the month following the month in which you return to active full-time work if not maintained by direct payment of premiums.

How to Make a Claim

Your beneficiary or executor should contact your Operations Service Centre (OSC) to obtain a claim form. Once completed, the form should be returned to your Operations Service Centre (OSC) for processing.

ACCIDENTAL DEATH LIFE INSURANCE PROVISION

Accidental Death Life Insurance is in addition to your basic life insurance and is payable in a lump sum if you, while insured, die from accidental drowning or sustain accidental body injury which results directly and independently of all other causes in loss of life within 365 days after the date of the injury.

If you are actively at work, the amount for which you are insured is \$28,000, provided your insurance has been maintained in force. This amount will increase to \$29,000 on January 1, 1999, and will further increase to \$30,000 on January 1, 2000. The Accidental Death Life Insurance is payable to the same beneficiary as your basic life insurance.

Continuation of Coverage

Disability

If your basic life insurance is continued in force, then Accidental Death Life Insurance is also continued in force, but not beyond twelve (12) months from your date last worked.

Maternity Leave

If your basic life insurance is continued in force, then Accidental Death Life Insurance is also continued in force, but not beyond twelve (12) months from your date last worked.

Layoff or Leave of Absence

In cases of layoff or leave of absence other than those mentioned above, Accidental Death Life Insurance is continued in force if you maintain your basic life insurance in force by paying your premiums direct to Sun Life.

When your basic life insurance terminates, if you convert your basic life insurance to an individual policy, you automatically convert your Accidental Death Life Insurance.

Termination of Coverage

Your Accidental Death Life Insurance terminates on the earliest of the following dates:

- The date you cease to be totally disabled;
- The date you attain age 65 years of age;
- The date your accidental death benefit ceases because of age retirement;
- The date your life insurance terminates; or
- If you are disabled, twelve (12) months from the date your disability began.

Exclusions

Accidental Death Life Insurance is not paid for loss of life resulting wholly or partly, directly or indirectly from any of the following:

- intentionally self-inflicted injuries or attempted suicide, while sane or insane;
- drug overdose;
- carbon monoxide inhalation;
- flying in, descending from or being exposed to any hazardous incident with any kind of aircraft; if you:
 - (a) were receiving aeronautical instruction;
 - (b) had any duties to perform in connection with the aircraft;
 - (c) were being flown for a parachute descent;
 - (d) were a member of any armed forces and the aircraft was under the control or charter of such forces;
- the hostile action of any armed forces.

How to Make a Claim

Your beneficiary or executor should contact your Operations Service Centre (OSC), to obtain a claim form. Only one claim form is required to make a claim for both the basic life insurance and the accidental death life insurance provision. Once the claimant has completed the form, it should be returned to the Operations Service Centre (OSC) for processing.

DIRECT PAYMENT OF PREMIUMS

If you are laid off or if you take a leave of absence during which the Company does not maintain your life insurance in force without payment of premium, you may keep your coverage in force by paying your premiums direct to Sun Life for up to 12 months from the end of the month in which you last worked.

If you are an employee of CN, you should obtain from your Operations Service Centre (OSC) a copy of the current year information circular entitled *Non-Operating Employees - Direct Payment Of Premiums for Employees Off Payroll* and carefully follow the instructions.

If you are an employee of the **Shawinigan Terminal Railway Company**, you should contact the office of the Superintendent for details (1300 de la Fonderie Ave, PO Box 335, Shawinigan, Quebec, G9N 6V1).

If you are an employee of the **Toronto Terminals Railway Company** you should contact the office of the Superintendent for details (Union Station, Room 402, 65 Front Street West, Toronto, Ontario, M5J 1E6).

OPTIONAL LIFE AND BASIC ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

Optional Life Insurance - Policy No. G50950 with Sun Life of Canada

- The program allows you to purchase units of \$25,000 of term life insurance up to a maximum of \$100,000;
- Payments are made through monthly payroll deductions;
- Medical evidence of insurability will be required for initial purchases or for future increases in coverage.

Basic Accidental Death and Dismemberment Insurance (AD&D) - Policy No. BSC 902-45-89 with American Home

You are covered for \$100,000 of Basic Company-paid Accidental Death and Dismemberment Insurance coverage. If you die, or are seriously injured while at work, the Accidental Death and Dismemberment (AD&D) Insurance will provide a percentage of the principal sum.

For more information

For more information, please refer to the *Group Optional Life and Basic Accidental Death and Dismemberment Insurance Guide (Employees Represented by a Bargaining Agent/Excluding Train & Engine Service)* available through your Operations Service Centre (OSC). The Company reserves the right to amend or terminate any of the plans described in this guide.

SIGNATORY RAILWAY AND SIGNATORY UNIONS

Signatory Railway

Canadian National Railway Company

Signatory Unions

National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada)

Transportation Communication Union (TCU)

Rail Canada Traffic Controllers (RCTC)

Brotherhood of Maintenance of Way Employee (BMWE)

International Brotherhood of Electrical Workers, System Council #11 (IBEW #11)

Canadian National Railway Police Association (CNRPA)

ADMITTED GROUPS

The following groups of employees have been admitted to coverage under this Benefit Plan. The terms and conditions of their admittance permits them to participate in the Plan to the same extent as the signatory groups of employees.

Unions

Joint Companies

The Shawinigan Terminal Railway Company
The Toronto Terminals Railway Company

BLE, UTU, CAW
CAW, IBEW #11

CANADIAN NATIONAL RAILWAY COMPANY

DENTAL PLAN

FOR

**EMPLOYEES REPRESENTED BY
A BARGAINING AGENT IN CANADA**

FOREWORD

This booklet explains the **Dental Plan for railway employees represented by a bargaining agent in Canada and their dependents**, put in place as the result of negotiations between Canadian National Railway Company and the labour unions. You are encouraged to make full use of the Plan in a program of regular dental care for you and your family.

The cost of the Dental Plan is currently paid by the Company and provides a wide range of basic and major restorative services. It is administered by the Great-West Life Assurance Company.

What follows is a summary of the main features of the Plan. While every effort has been made to ensure that this booklet is accurate, the Plan Contract **No. 51080** is the governing document. The program is also intended to comply with all federal and provincial laws. In the event of any conflict, the terms of the applicable laws will govern.

Please read this booklet carefully and keep it as a reference. If any further information is required, contact your Operations Service Centre (OSC).

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ELIGIBILITY

You and your eligible dependents are covered on the first day of the month following your completion of 12 months of compensated service.

Employees who have compensated service for a regular or partial eight-hour shift for 252 days will be considered to have completed 12 months of compensated service.

For running trades employees and non-operating employees covered by spare board provisions, days worked and/or available for service will be counted as days of compensated service.

Once you have established your eligibility under the Plan, you remain covered during each month in which you have compensated service until coverage terminates as explained on Page 7.

Once you are eligible, enrolment in the Plan is automatic.

Eligible Dependents

The following members of your family are considered eligible dependents:

- your spouse (if you and your spouse are separated, your spouse must be supported by you in order to be considered eligible);
- your unemployed, unmarried children (including your spouse's children), dependent on you for support, and who are:

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- under age 21 and living with you or your eligible spouse (or shared custody);

- under age 25 (under age 26 if a resident of Quebec), if registered as full-time college or university students;

- any age, if totally disabled and dependent on you for financial support.

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0 NOTE 1: "Spouse" means

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- 0 (i) the person who is legally married to the employee and who is residing with or supported by the employee, or

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- 2 (ii) if there is no legally married spouse that is eligible, the person with whom the employee has been cohabiting for at least one year (sooner if a child is born of their union) and both are free to marry; or

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- 4 (iii) the person with whom the employee has been cohabiting for at least three years (sooner if a child is born of their union) if one or the other is, by law, prohibited from marrying by reason of a previous marriage.

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NOTE 2: A person covered under the Plan as an employee cannot be an eligible dependent.

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PLAN PROVISIONS

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1 The Plan provides you and your family with financial assistance for charges for necessary dental care expenses not covered by your provincial government health plans. It provides reimbursement for charges of dentists, physicians or other qualified personnel under the direct supervision of the dental or medical profession, for example, dental assistants and dental hygienists. Also covered are charges for services provided by specialists, dental mechanics, denturologists, denturists, and denture therapists, who are permitted by law to deal directly with the public. If there is no fee guide for these practitioners in your province, payment will be based on the appropriate general practitioners' fee guide.

0 Deductible

2 After an annual deductible of \$35 per family has been paid, the Plan reimburses eligible dental expenses.

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3 The deductible is the amount of eligible expenses you pay each year before the Plan begins to reimburse you.

1 Covered Percentage

4 The Plan reimburses 100% of eligible expenses for basic dental services and 50% of the expenses you incur for major restorative and prosthodontic services.

2 Maximum

5 The yearly maximum that can be reimbursed is \$1,125 per person for basic dental care services and major restorative services, combined. If your coverage becomes effective July 1 or later, the combined maximum per person is \$562.50 for the remaining months of that year. In subsequent years, the \$1,125 maximum per person will apply.

6 The 1998 fee guide is currently used to determine the amount which is reimbursed to you. Effective January 1, 1999 and January 1, 2000, the applicable provincial fee guides will be used.

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7 If you or your eligible dependents receive treatment outside Canada, reimbursement will be determined based on the 1998 fee guide applicable in your province of residence.

COVERED EXPENSES

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8 Covered expenses are subject to the yearly deductible and the maximums. If more than one professionally adequate procedure is possible, the least expensive one will be considered the covered expense.

0 Basic Dental Care Services

9 (Reimbursed at 100%)

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- Oral examinations, cleaning of teeth, fluoride treatments and bite-wing x-rays: TWICE IN ANY CALENDAR YEAR BUT NO MORE THAN ONCE IN ANY FIVE-MONTH PERIOD;
- Full-mouth series of X-rays: ONCE EVERY 24 MONTHS;
- Extractions and alveolectomy (bone work) at time of tooth extraction;
- Dental surgery;
- General anaesthesia and diagnostic x-ray and laboratory procedures required for dental surgery;
- Amalgam, silicate, acrylic and composite fillings;
- Necessary treatment for relief of dental pain;
- Cost of medication when provided by injection in your dentist's office;
- Space maintainers for missing primary teeth and habit-breaking appliances;
- Consultations required by the attending dentist;
- Surgical removal of tumors, cysts, neoplasms;
- Incision and drainage of abscess;
- Endodontics, including root canal therapy;
- Periodontal treatment (gum and tissue treatment);
- Pit and fissure sealants.

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Major Restorative Services

5 (Reimbursed at 50%)

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- Crowns and inlays;
- Provision for an initial prosthodontic appliance (fixed bridge restoration, removable partial or complete dentures);
- Replacement of an existing fixed bridge or removable partial or complete denture in the following circumstances:

0 (a) it is over five years old and cannot be repaired;

1 (b) it replaces a temporary appliance installed while you were covered by the Plan. In this case, the replacement is considered permanent;

2 (c) it is required because of the installation of an initial opposing denture while you were covered by the Plan;

3 (d) it is required as the result of an accidental dental injury that occurs while you are covered by the Plan;

4 (e) if necessitated by the extraction of additional teeth, while you are covered by the Plan. If the existing appliance can be made serviceable, only the expense for the portion required to replace the teeth extracted is covered.

- Repairs to existing dentures, including relining, rebasing;
- Procedures involving the use of gold, only if the use of a reasonable substitute consistent with generally-accepted dental practice would not result in a lower cost. If a less expensive substitute could have been used, only the lower cost is covered.

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3 TREATMENT PLAN FOR EXPENSES IN EXCESS OF \$400

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12 For you and your dentist to know in advance how much the Dental Plan will reimburse, you should file a treatment plan whenever the total cost of the proposed dental work is expected to exceed \$400.

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13 The plan describes the proposed treatment and its cost. Usually, the dentist completes the standard claim form, indicating the services to be performed and includes X-rays and laboratory fees, if necessary, and sends it to Great-West Life, which determines the amount to be reimbursed under the Dental Plan. A list of their offices is shown on page 10.

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4 EXPENSES NOT COVERED

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14 The Plan does not cover:

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- Orthodontic treatment (braces and corrective devices);
- Cosmetic treatment, dietary planning, plaque control, oral hygiene instruction, congenital or developmental malformation;
- Cost of dentures which have been lost, mislaid or stolen;
- Charges for missed appointments or for completion of claim forms required by Great-West Life;
- Treatment received from a dental or medical department maintained by CN, a labour union, a mutual benefit association or similar type of group;
- Treatment that is free of charge or covered by a government or for which any government prohibits payment;
- Treatment required as a result of any intentionally self-inflicted injury, war, participating in a riot or insurrection;
- Services and supplies rendered for full-mouth or major reconstructions, vertical dimension correction or correction of a temporal mandibular joint dysfunction;
- Treatment not yet approved by the Canadian Dental Association or which is clearly experimental in nature;
- Treatment required as a result of an injury sustained while working for pay or profit other than for CN; or
- Injury of an eligible dependent working for pay or profit;
- Any portion of dental expenses covered under Workers' Compensation or similar program.

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COORDINATION OF BENEFITS

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15 If you and your spouse are covered by different Dental Plans, the combined benefits from the two plans cannot exceed the expenses actually incurred. They are coordinated as follows:

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- Expenses incurred by your spouse are reimbursed first by your spouse's plan and then by the *CN Dental Plan for Employees Represented by a Bargaining Agent in Canada*, if a balance remains;
- Expenses incurred for eligible children are first reimbursed by the plan of the parent whose birthday falls earliest in the year.

TERMINATION OF COVERAGE

Your coverage and coverage for your dependents under the Dental Plan terminates, as follows:

In case of

1. resignation or dismissal, on the date your employment relationship ends;
2. retirement, at the end of the month in which you retire under the pension plan rules;
3. leave of absence, on the last day worked (except as indicated in the section entitled "Continuation of Coverage");
4. layoff, strike, lock-out, death, on the last day worked.

Coverage for dependents ends on the date your coverage ends (except in case of death, at the end of the month in which you die) or on the date the dependent ceases to meet the eligibility criteria outlined on Page 2.

If you are transferred out of a bargaining unit covered by this Plan into another position in the Company, where the Plan does not apply, your coverage terminates on the last day of the month in which you worked in the bargaining unit.

CONTINUATION OF COVERAGE

1. (a) In cases of leave of absence due to disability covered by Workers' Compensation, your coverage will be maintained at no cost to you for the entire period during which you are receiving Workers' Compensation benefits and undergoing treatment and rehabilitation at the expense of a Workers' Compensation authority, but not beyond the age of 65.

(b) Coverage ceases when it becomes evident, based on information from the Workers' Compensation authority, that you are permanently unable to perform the work that you performed prior to your absence, and the Company has no other work to offer you.

2. In cases of leave of absence due to disability, illness or injury not covered by Workers' Compensation coverage will be maintained at no cost to you for a **maximum of 12 weeks** from the end of the month in which the leave of absence begins.

3. In cases of leave of absence for maternity, your coverage will be continued at no cost to you for up to 17 weeks following the date your leave begins.

4. In cases of leave of absence for Child Care, your coverage will be continued at no cost to you for up to 24 weeks following the date on which such leave begins.

5. During the closure of the Main Shops for annual vacation, eligible employees who are laid off involuntarily will have emergency dental treatment covered by the Plan.

In cases of layoff, strike, lock-out and retirement (and for dependents, in the event of death), expenses for crowns, bridgework or dentures for which an impression was taken and the tooth or teeth prepared before your coverage terminates, and which are installed within 30 calendar days after the termination of your coverage, are considered eligible expenses.

REINSTATEMENT OF COVERAGE

You are automatically covered from the date you return to active work if your coverage has been terminated while you were laid off or on leave of absence, on strike, lock-out or dismissed but reinstated.

HOW TO MAKE A CLAIM

When you wish to file a dental claim:

1. Obtain a dental form from your Operations Service Centre (OSC). You can also use the dentist's standard claim form; however, be sure that you attach a completed Part 2 of the CN claim form;
2. Complete Part 2 of the claim form and ask your dentist to complete Part 1;
3. Send the signed, fully completed form to the Great-West Life office serving the province in which you reside. The addresses are listed on Page 10.

You should submit your claim WITHIN SIXTY (60) DAYS after you have incurred eligible expenses.

Great-West Life will send the claim payment either to you or to your dentist, depending upon the arrangements you make with your dentist (see Part 1 of the claim form).

A separate claim form is required for each patient and you may claim as often as you have dental expenses covered by the Plan. You should complete and send in a claim form even if your first expense is less than the deductible of \$35.

When enquiring about a dental claim at Great-West Life always quote your Plan no. 51080, as well as your PIN (employee no).

GREAT-WEST LIFE BENEFIT OFFICES

Quebec

The Great-West Life Assurance Company
Montreal Benefit Payment Office
P.O. Box 400, 40 Dolbeau
Place Bonaventure
Montreal, QC H5A 1B9
Toll-Free: 1-800-663-2817
Montreal Area: 878-1288

All Other Provinces

The Great-West Life Assurance Company
Health and Dental Claims Centre
P.O. Box 6030, Station Main
Winnipeg, MB R3C 3C8
Toll Free: 1-800-957-9777

DISPUTE OF CLAIMS

You are responsible to complete the claim forms and to supply proof of expenses incurred as deemed necessary and appropriate by Great-West Life.

If you are denied all or any part of a claim, you will receive a notice, in writing, giving the specific reasons for such denial and a description of any additional material necessary in support of the claim.

You have sixty (60) calendar days from the day of denial in which to take action.

If the denial is on the basis of technique or treatment, work with your dentist to provide information and documentation and submit it to the appropriate Great-West Life Benefit Payment Office for review.

If the denial is on the basis of eligibility, please contact your Operations Service Centre (OSC). If they cannot resolve the issue within sixty (60) days, you may request that it be submitted to the Benefits Administrative Committee for review by the Company and union officers concerned.

SIGNATORY RAILWAY AND SIGNATORY UNIONS

Signatory Railway:

Canadian National Railway Company

Signatory Unions:

Canadian Council of Railway Operating Unions (CCROU)

National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW - Canada)

Transportation Communication Union (TCU)

Rail Canada Traffic Controllers (RCTC)

Brotherhood of Maintenance of Way Employees (BMWE)

International Brotherhood of Electrical Workers, System Council #11 (IBEW #11)

Canadian National Railway Police Association (CNRPA)

ADMITTED GROUPS

In addition to the signatory railway and unions, there are other groups of employees and railways who have been admitted to coverage under the Plan. The terms and conditions of their admittance permits them to participate in the Plan to the same extent as the signatory groups of employees. The following groups have been admitted to the Dental Plan.

Unions

Joint Companies

The Shawinigan Terminal Railway Company
The Toronto Terminals Railway Company

BLE, UTU, CAW
CAW, IBEW #11

CANADIAN NATIONAL RAILWAY COMPANY

EXTENDED HEALTH CARE PLAN

FOR

**EMPLOYEES REPRESENTED BY A
BARGAINING AGENT IN CANADA**

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FOREWORD

This booklet explains the **Extended Health Care Plan for railway employees represented by a bargaining agent in Canada and their dependents**, put in place as the result of negotiations between Canadian National Railway Company and the labour unions.

The cost of the Extended Health Care Plan is currently paid by the Company and provides a wide range of medical benefits. It is administered by Sun Life Assurance Company of Canada.

What follows is a summary of the main features of the Plan. While every effort has been made to ensure that this booklet is accurate, the Plan Contract **No. 25035** is the governing document. The program is also intended to comply with all federal and provincial laws. In the event of any conflict, the terms of any applicable laws will govern.

Please read this booklet carefully and keep it as a reference. If any other information is required, contact your Operations Service Centre (OSC).

NOTE: The Extended Health Care Plan for employees represented by a bargaining agent in Canada conforms to minimum requirements under applicable legislation.

ELIGIBILITY

You and your eligible dependents are covered on the first day of the month following your completion of 12 months of compensated service.

Employees who have compensated service for a regular or partial eight-hour shift for 252 days will be considered to have completed 12 months of compensated service.

For running trades employees and non-operating employees covered by spare board provisions, days worked and/or available for service will be counted as days of compensated service.

Once you have established your eligibility under the Plan, you remain covered during each month in which you have compensated service until coverage terminates as explained on page 10.

Once you are eligible, enrolment in the Plan is automatic.

Eligible Dependents

The following members of your family are considered eligible dependents:

- your spouse (if you and your spouse are separated, your spouse must be supported by you in order to be considered eligible);
- your unemployed, unmarried children, (including your spouse's children), dependent on you for support, and who are:

under age 21 and living with you or your eligible spouse (or shared custody);
under age 25 (under age 26 if a resident of Quebec), if registered as full-time college or university students;

any age, if totally disabled and dependent on you for financial support.

NOTE 1: "Spouse" means

- (i) The person who is legally married to the employee and who is residing with or supported by the employee; or
- (ii) if there is no legally married spouse that is eligible, the person, with whom the employee has been cohabiting for at least one year (sooner if a child is born of their union), and both are free to marry; or
- (iii) the person, with whom the employee has been cohabiting for at least three years (sooner if a child is born of their union) if one or the other is, by law, prohibited from marrying by reason of a previous marriage.

NOTE 2: Any person who is covered under this plan as an eligible employee may not be considered an eligible dependent.

PLAN PROVISIONS

The Plan provides you and your family with financial assistance for medically necessary health care expenses not covered by your provincial or territorial hospital and Medicare plans.

Deductible

After an annual deductible of \$25 per family has been paid, the Plan reimburses eligible hospital, medical and vision care expenses.

The deductible is the amount of eligible expenses you pay each year before the Plan begins to reimburse you.

The deductible does not apply to hospital expenses in your province of residence.

Covered Percentage

The Plan reimburses 100% of eligible hospital expenses in your province of residence and 80% of the eligible expenses you incur in excess of the annual deductible for major medical, prescription drugs and vision care, subject to applicable maximum eligible expenses.

Maximum

The current lifetime maximum that can be reimbursed to you or any of your eligible dependents is \$39,000 (increases to \$40,000 on January 1, 1999). For drugs only, this provision is not applicable to Quebec residents.

For Quebec residents, the maximum out-of-pocket cost for drugs cannot exceed \$750 per adult, per year.

Hospital Expenses

In your province of residence, the Plan provides reimbursement of:

- 100% of the charges for the average cost of a semi-private room that exceed the amount paid by the government plan. There is no limit on the duration of the hospital stay;
- Out-patient services in a hospital.

Outside your province of residence, the Plan reimburses:

- 80% of the charges, in excess of the deductible, that exceed the amount covered by the provincial government plan, for the following services in case of emergency for up to 180 days per calendar year:
 - semi-private hospital room;
 - hospital out-patient services.

Outside Canada, for emergency medical treatment of illness or injury sustained while travelling outside of Canada, the Plan reimburses:

- 80% of the charges, in excess of the deductible, that exceed the amount covered by the provincial government plan, for the following services in case of an emergency for up to 180 days per calendar year:
 - semi-private hospital room;
 - other hospital services;
 - hospital out-patient services.

A hospital is defined as a legally-operated institution primarily engaged in providing medical, diagnostic and surgical facilities for the care and treatment of sick and injured persons on an in-patient basis and that provides such facilities under the supervision of a staff of doctors with a 24-hour-a-day nursing service by registered nurses.

Under this definition, none of the following is considered a hospital:

- a home for the aged;
- a rest home or nursing home;
- an institution providing psychiatric care;
- an institution for the treatment of substance abuse.

Prescription Drugs

If you live in a province where the provincial government provides a prescription drug plan, benefits under the Railway Plan will be coordinated with the government plan.

Covered expenses:

- Drugs, serums and vaccines available only by prescription when prescribed by a physician or dentist for the treatment of an illness and dispensed by a licensed pharmacist;
- Diabetic supplies;
- Supplies for the treatment of parkinsonism and cystic fibrosis;
- Colostomy supplies.

Expenses not covered:

Payment is not made for:

- Drugs that can be purchased without a prescription, such as: patent and proprietary medicines, cough and cold medicines, baby foods and formula, minerals, vitamins, health foods and collagen treatments;
- Nicotine substitutes;
- Growth hormones;
- Any charge for the administration of serums, vaccines and injectable drugs;
- Anti-obesity treatments including drugs, proteins and dietary or food supplements, whether or not prescribed for medical reasons.

Vision Care

Covered expenses:

- Services of an ophthalmologist or a licensed optometrist, where not covered by Medicare, up to a maximum reimbursement of \$25 per person in any two consecutive calendar years;
- Charges for contact lenses or eyeglasses (including frames, shatterproof lenses and sunglasses) and their replacement, provided there is a need for a change in their magnifying strength.

Supplies must be prescribed in writing by an ophthalmologist or a licensed optometrist and dispensed by such specialists or by a qualified optician.

Maximum reimbursement for one claim per 24-month period is \$150 (one claim per 12-month period if under 18).

Expenses not covered:

Payment is not made for any device worn for the purpose of eye protection only, and not for vision correction.

Major Medical

Covered expenses:

- **Ambulance:**

Professional ambulance services not reimbursed by your government health plan for local transportation, including inter-hospital transfers to and from the nearest hospital able to provide essential care, when recommended by a physician as medically necessary. This includes, in case of emergency, air ambulance service or any other vehicle normally used for public transportation.
- **Private Duty Nurse:**

Services of a private duty registered nurse or a registered nursing assistant, other than a close relative, in the patient's home, when medically required. Prior approval must be obtained from Sun Life.
- **Laboratory Tests:**

Charges for laboratory tests done in a commercial laboratory for diagnosis of an illness, but excluding any tests performed in a pharmacy.
- **Physiotherapist:**

Services of a licensed physiotherapist who is not a close relative and when prescribed in writing by a physician.
- **Accidental Dental:**

Dental treatment required for the repair of damage to natural teeth resulting from an accidental blow to the mouth that occurs while the person is covered under the Plan. Treatment must be approved in advance by Sun Life and provided within six months of the accident.
- **Durable Equipment:**

Rental or, if the Company so chooses, purchase of a wheelchair, hospital bed, iron lung or other similar equipment for therapeutic use. Prior approval must be obtained by Sun Life.
- **Hearing Aids:**

Hearing aids, not covered by Workers' Compensation, when prescribed in writing by an otolaryngologist. Maximum eligible expenses are \$300 per person in any five consecutive calendar years.

- **Orthopaedic Shoes:**
Orthopaedic shoes, when prescribed by a doctor, limited to one pair per person in each calendar year.
- **Support Stockings:**
Elastic support stockings prescribed by a doctor, up to maximum eligible expenses of \$50 per person in each calendar year.
- **Mammary Protheses:**
Mammary protheses required as a result of surgery, up to maximum eligible expenses of \$200 per person in each calendar year.
- **Doctor's Fees:**
Charges for the services of a doctor for emergency medical treatment while you are outside your province of residence.
- **Prosthetic Appliances:**
Artificial limbs and eyes, including replacements when medically necessary.
- **Supplies:**
Casts, splints, trusses, braces or crutches.
- **Transfusions:**
Oxygen, plasma and blood transfusions and their administration.
- **X-Rays:**
Diagnostic and X-ray services.
- **Convalescent Hospital:**
Charges for convalescent hospital confinement in your province or territory of residence. Such confinement must be ordered by a physician, be preceded by at least five consecutive days of hospital confinement, commence within 14 days of that hospital confinement and be 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.

A convalescent hospital is a legally operated institution which is entitled to a daily allowance under the hospital plan of the province where it is located.

EXPENSES NOT COVERED

Payment is not made for:

- The difference in cost between a semi-private and a private hospital room.
- Treatment by chiropractors, osteopaths, podiatrists, speech therapists, and psychologists.
- Orthopaedic mattresses, exercise equipment, air conditioning or air-purifying equipment, and whirlpools.
- Charges for experimental services and treatment, and those attributed to the application of new processes or treatment not yet in current use.
- Any expenses in excess of the reasonable and customary charges in the locality where the service is rendered.
- Injury you sustain while working for pay or profit other than with CN.
- Injury your eligible dependent sustain while he or she is working for pay or profit.
- Any portion of medical expenses covered under Workers' Compensation or similar program.
- Services to which you or your eligible dependents are entitled without charge, or for which there would be no charge if you were not covered by this EHC Plan.
- Services, or portions of services, provided under government sponsored programs.
- A service covered by a government sponsored program which is suspended.

COORDINATION OF BENEFITS

If you and your spouse are covered by more than one Extended Health Care Plan, the combined benefits from the two plans cannot exceed the expenses actually incurred. They are coordinated as follows:

- Expenses incurred by your spouse are reimbursed first by your spouse's plan and then by the CN Extended Health Care Plan for Employees Represented by a Bargaining Agent in Canada, if a balance remains.
- Expenses incurred for eligible children are first reimbursed by the plan of the parent whose birthday falls earliest in the year.

TERMINATION OF COVERAGE

Your coverage and coverage for your dependents under the Extended Health Care Plan terminates as follows:

In the case of:

- (1) resignation or dismissal, on the date the employment relationship ends;
- (2) retirement, at the end of the month in which you retire under the pension plan rules;
- (3) leave of absence, (except as indicated in the next section entitled "Continuation of Coverage"), layoff and death, at the end of the month in which the event occurs;
- (4) strike or lock-out, on the last day worked (for Quebec residents, plus 30 days for drugs only)

Coverage for dependents ends on the date the dependent ceases to meet the eligibility criteria outlined on page 2.

If you are transferred out of a bargaining unit covered by this Plan into another position in the Company, where the Plan does not apply, your coverage terminates on the last day of the month in which you work in the bargaining unit.

CONTINUATION OF COVERAGE

1) (a) In cases of leave of absence due to disability covered by Workers' Compensation, your coverage will be maintained at no cost to you for the entire period during which you are receiving Workers' Compensation benefits and undergoing treatment and rehabilitation at the expense of a Workers' Compensation authority, but not beyond age 65.

(b) Coverage ceases when it becomes evident, based on information from the Workers' Compensation authority, that you are permanently unable to perform the work you performed prior to your absence, and the Company has no other work to offer you.

2) In cases of leave of absence due to disability, illness or injury, not covered by Workers' Compensation, coverage will be maintained at no cost to you for a maximum of six months from the end of the month in which the disability occurs, provided you are receiving Weekly Indemnity Benefits or Employment Insurance Sickness Benefits, but not beyond age 65.

3) In cases of leave of absence for maternity, your coverage will be continued at no cost to you for up to 17 weeks following the date your leave begins.

4) In cases of leave of absence for Child Care, your coverage will be continued at no cost to you for up to 24 weeks following the date on which such leave begins.

5) In any of the above cases, an employee who continues on leave of absence after eligibility terminates may maintain coverage by submitting the required payment direct to Sun Life. This option expires after a 12-month period following the end of the month in which leave of absence began.

6) In cases of layoff and leave of absence other than those mentioned above, coverage can be maintained through direct payment to Sun Life for up to 12 months from the end of the month in which the layoff or the leave of absence began.

NOTE: See page 15 for details on making direct payments.

REINSTATEMENT OF COVERAGE

You are automatically covered from the date you return to active work if your coverage has been terminated while you were on leave of absence, on strike, suspended or dismissed but reinstated.

If you are laid off and your coverage terminates, you will be covered automatically from the first day of the month in which you return to active work.

HOW TO MAKE A CLAIM

When you wish to file a claim:

A. For Hospital Benefits:

1. Tell the hospital admitting staff that the Sun Life Assurance Company administers your Plan under Contract number 25035. Also, tell them your employee number, that is, your PIN.
2. The hospital will send the claim direct to Sun Life.
3. You will receive a statement showing the amounts charged and the amounts reimbursed by Sun Life. Please verify that the charges listed are for services actually rendered.
4. If the hospital is unable or unwilling to send the bill direct to Sun Life, you are to make a claim to Sun Life by following the procedures in "B", below.

B. For Major Medical Benefits and Prescription Drugs:

1. Obtain the claim form from your Operations Service Centre (OSC).
2. Complete Part A on the claim form, attaching all applicable receipts.
3. Send the completed form to the Sun Life office serving the province or territory in which you live. Addresses are found on page 14 and on the claim form.

C. For Vision Care:

1. Obtain the claim form from your Operations Service Centre (OSC).
2. See instructions on the form (Parts A, B, and C).
3. Send the completed form to the Sun Life office serving the province or territory in which you live.

NOTE:

CLAIMS FOR EXPENSES INCURRED UNDER THE EXTENDED HEALTH CARE PLAN MUST BE SUBMITTED TO SUN LIFE WITHIN 90 DAYS AFTER THE END OF THE CALENDAR YEAR IN WHICH THEY WERE INCURRED.

You should make a claim only after you have accumulated receipts for eligible expenses totalling in excess of any deductible amount for the year.

Reimbursement of expenses for prescription drugs, vision care and major medical benefits will be sent direct to you. Reimbursement of hospital expenses will be made direct to the hospital or to you, depending upon the arrangements you have made with the hospital.

Prompt Handling of your Claim

Did you answer every question on the claim form?

Did you, the employee, sign the claim form?

Did you attach all required receipts?

If you did, you will help Sun Life to review your claim quickly and to process any reimbursement due to you.

SUN LIFE CLAIMS OFFICES

**Newfoundland
New Brunswick
Nova Scotia
Prince Edward Island
Quebec**

Sun Life of Canada
Health Claims Office
P.O. Box 6076, Stn. CV
Montreal, Quebec
H3C 4S3

Ontario

Sun Life of Canada
Health Claims Office
Box 4023, Stn. A
Toronto, Ontario
M5W 2P7

**Manitoba
Saskatchewan
Alberta
British Columbia
Yukon
North West Territories**

Sun Life of Canada
Health Claims Office
Sun Life Place
1300 - 10123 - 99 Street NW
Edmonton, Alberta
T5J 3H1

DIRECT PAYMENT OF PREMIUMS

If you are laid off or if you take a leave of absence during which the Company does not maintain your coverage in force without payment of premium, you may keep your coverage in force by paying your premiums direct to Sun Life.

If you are an employee of CN you should obtain from your Operations Service Centre (OSC) a copy of the current year circular entitled *Direct Payment of Premiums for Employees Off Payroll* and carefully follow the instructions.

If you are an employee of the Shawinigan Terminal Railway Company, you should contact the Terminal Superintendent's office for details: 1300 de la Fonderie Ave, PO Box 335, Shawinigan, Quebec, G9N 6V1.

If you are an employee of the Toronto Terminals Railway Company you should contact the Superintendent's office in Union Station, Room 402, 65 Front Street West, Toronto, Ontario, M5J 1E6.

DISPUTE OF CLAIMS

You are responsible for the completion of the claim forms and furnishing proof of expenses incurred as deemed necessary and appropriate by the Sun Life Assurance Company of Canada.

If you are denied all or any part of a claim, you will receive a notice, in writing, giving the specific reasons for such denial and a description of any additional material necessary in support of the claim.

You have sixty (60) calendar days from the day of denial in which to take action.

If the denial is on the basis of specific expenses, submit the necessary documentation to the appropriate Sun Life Health Claims office for review.

If denial is on the basis of eligibility, contact your your Operations Service Centre (OSC). If they cannot resolve the issue within the 60 days, you may request that it be submitted by the Company and union officers concerned to the Benefits Administrative Committee for review.

SIGNATORY RAILWAY AND SIGNATORY UNIONS

Signatory Railway:

Canadian National Railway Company

Signatory Unions:

Canadian Council of Railway Operating Unions (CCROU)

National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW - Canada)

Transportation Communication Union (TCU)

Rail Canada Traffic Controllers (RCTC)

Brotherhood of Maintenance of Way Employee (BMWE)

International Brotherhood of Electrical Workers, System Council #11 (IBEW #11)

Canadian National Railway Police Association (CNRPA)

ADMITTED GROUPS

In addition to the signatory railway and unions, there are other groups of employees and railways who have been admitted to coverage under the Plan. The terms and conditions of their admittance permits them to participate in the Plan to the same extent as the signatory groups of employees. The following groups have been admitted to the Extended Health Care Plan:

Unions

Joint Companies

The Shawinigan Terminal Railway Company	BLE, UTU, CAW
The Toronto Terminals Railway Company	CAW, IBEW #11