

**MEMORANDUM OF UNDERSTANDING BETWEEN CANADIAN PACIFIC RAILWAY
AND THE TEAMSTERS CANADA RAIL CONFERENCE PERTAINING TO THE
FIXED MILEAGE RATE ON THE EMERSON SUBDIVISION**

It is hereby agreed that effective December 8, 2005, the following agreement will be in place on the Emerson Subdivision.

The fixed mileage rate, or dual method of pay whichever is greater, will apply to **South Bound** crews taking control of a train at Grande Pointe.

The fixed mileage rate, or dual method of pay whichever is greater, will apply to **North Bound** crews arriving at Grande Pointe.

This agreement is without precedent or prejudice to either party and 7 days written notice may be submitted by either party to cancel this agreement in its entirety or 30 days written notice may be provided by either party to schedule a meeting to revise this agreement in whole or in part.

Furthermore, this agreement is bound to the agreement dated June 28, 2004 concerning the Winnipeg Road Switcher. Should that agreement be cancelled, it will act as cancellation of this agreement.

For the Company:

Peter Marotta
Manager Operations – Road
Winnipeg
Canadian Pacific Railway

For the Union:

Harvey Makoski
Local Chairman
Division 76 (TCRC)
Locomotive Engineers

Barry Domino
Local Chairman
Division 76 (TCRC)
Conductors and Trainmen