



**CANADIAN
PACIFIC**

Alia Azim Garcia
*Director
Labour Relations*

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T2P 4Z4

June 17, 2010

Mr. T. Beaver
General Chairman
TCRC – LE (East)
173 Simcoe St. North
Oshawa, Ont.
L1G 4S8

Mr. D. Able
General Chairman
TCRC – LE (West)
101-10820 24th St. SE
Calgary, Ab
T2Z 4C9

Mr. D. Genereux
General Chairman
TCRC – CTY (East)
55 Annunciation
Oka, Quebec
J0N 1E0

Mr. D. Olson
General Chairman
TCRC – CTY (West)
101-10820 24th St. SE
Calgary, Ab
T2Z 4C9

Dear Sirs,

This is with regard to our ongoing discussions, relating to a National Application of “Rest after Annual Vacation”.

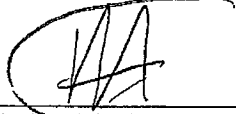
After a thorough review of the issue across the system and in the interest of harmonious labour relations, the parties agree that employees may choose to request rest after annual vacation, in line with the language and associated principles contained in Appendix A (attached).

Of course, this agreement is reached on a without precedent or prejudice basis and may be cancelled with 30 days notice by either party. In the event that notice is served, the parties must meet within 7 days in order to address any issues.

Upon your concurrence, please sign in the space provided below and return one copy for our records.

2...rest after av

Once concurrence is received from all parties, we will ensure that the application is put in place immediately in locations where no application is presently in place, and upon expiry of notification in locations where the previous application has been cancelled.



Alia Azim Garcia
Director, Labour Relations

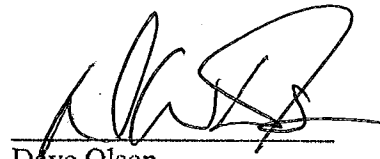
I concur,



Dave Able
General Chairman
TCRC – LE (West)

Daniel Genereux

Daniel Genereux
General Chairman
TCRC – CTY (East)



Dave Olson
General Chairman
TCRC – CTY (West)

Tim Beaver
General Chairman
TCRC – LE (East)

Appendix A

1. National Rule – Booking-On From Annual Vacation

1.1 Crew change for all terminals will continue to take place at 22:01 - Sunday night for broadcast at 00:01 - Monday, or in some cases, 00:01 - Monday for 02:00 - Monday.

1.2 An employee may, at his/her discretion, choose to request rest after annual vacation, and this request must be received by the CMC no later than 15:00, Sunday afternoon, prior to crew change. When the request for rest after AV is received, standard rest until 0400 Monday will be applied, with the employee entitled to a standard call, at or after, 0600 Monday.

1.3 Should an employee choose not to request rest after annual vacation, standard calling time protocols will apply.

1.4 This rule may be cancelled with 30 days notice by the General Chairmen (East and/or West) or the Director, Labour Relations. Should notice be served, the parties will meet within 7 days to address any issues identified.