

AGREEMENT

For the Period

January 1, 2018 to December 31, 2020

between

THE ESSEX TERMINAL RAILWAY COMPANY

and

**UNITED STEELWORKERS
LOCAL 2004**

Covering

Rates of Pay and Rules

for

Maintenance of Way Employees

02932(11)

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AGREEMENT
between
THE ESSEX TERMINAL RAILWAY COMPANY
and its
MAINTENANCE OF WAY EMPLOYEES
represented by
UNITED STEELWORKERS
Local 2004

The UNITED STEELWORKERS acknowledges that it is the function of the Company to operate and manage its business in all respects and, without limiting the generality of the foregoing, the Union acknowledges that, subject to the express provisions of this Agreement, it is the right of the Company to:

- (1) hire, direct, layoff, classify, promote, demote, suspend, discipline and discharge employees for just cause, subject to the right of a seniority employee to lodge a grievance as hereinafter provided;
- (2) maintain order, discipline and efficiency;
- (3) make and alter, from time to time, rules and regulations to be observed by the employees, which rules and regulations shall not be inconsistent with the express provisions of this Agreement; and
- (4) determine the location of buildings and equipment, the methods and means of operation.

Without restricting or limiting the generality of the foregoing, the Company retains all rights not specifically relinquished or modified by this Agreement.

The Company agrees that it will exercise its rights in a fair and equitable manner consistent with the collective agreement.

The Essex Terminal Railway Company acknowledges United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, (known in this agreement as the United Steelworkers) to be the bargaining representative on behalf of the Maintenance of Way Employees. The right to make and interpret contracts, rules, rules of pay

and working agreements for Maintenance of Way Employees shall be vested in the Company and those representatives.

For the carrying out of this Agreement the Railway shall, except as otherwise provided, deal only with duly authorized committees of the United Steelworkers. At the beginning of each year the Local Union President or his designate will furnish the Railway President or designate, with the names of the committee authorized to deal with such matters.

The words "Maintenance of Way Employees" as used hereinafter shall be understood to mean any employee holding seniority under this Agreement.

The word "employee" used herein shall be understood to mean employees for whom rates of pay are provided in this Agreement. The use of the masculine gender in this collective agreement includes the feminine and vice versa.

This agreement covers only those employees on the payroll at date of signing, and after.

This Agreement shall become effective the latter of January 1, 2018 or the date of agreement signing, except as otherwise provided herein, and shall remain in full force and effect for a period of three (3) years and thereafter subject to ninety (90) days' notice in writing from either party to this agreement, of their desire to revise, amend or terminate it, such notice may be served at any time subsequent to September 30, 2020.

RULE 1 Wage Rates

RULE 1.1 The rates of pay will be calculated on an hourly basis effective the first day of January of each year:

Hourly Rates for:	Employees hired before January 2009			Employees hired after January 1, 2009		
	2018	2019	2020	2018	2019	2020
Probationary/ Seasonal				14.19	14.33	\$14.54
Track Maintainer	\$24.86	25.11	25.49	20.92	21.13	21.45
Equipment Operator	\$26.20	26.46	26.86	22.05	22.27	22.60
Track Foreman	\$27.24	27.51	27.92	22.93	23.16	23.51
Welder	\$29.63	29.93	\$30.38	24.94	25.19	25.57

*Employees on a WSIB approved workplace injury while working modified duties will be paid at 85% of the above rates. An employee will be considered to be on modified duties if he is unable to perform the essential duties of his regular job.

RULE 1.2 Shift Differentials: Employees whose regularly assigned shifts commence between 1400 and 5:59 hours will receive a shift differential of fifty (50) cents per hour. Overtime will not be calculated on the shift differential nor will the shift differential be paid for paid absence from duty such as vacations, general holidays, etc.

RULE 1.3 The Company will continue to make payroll deposits every second Thursday.

RULE 1.4 Seasonal employees will not be hired if any employee with seniority under this agreement is on lay off or working less than 40 hours per week.

RULE 2 Benefits

RULE 2.1 All claims made under the following items are governed by the respective master policy.

RULE 2.2 Weekly Indemnity: Effective the first of the month following signing of this agreement, a 1/4/26 Plan will be purchased providing payment of equivalent to disability benefits provided by the Employment Insurance, for non-occupational bodily injury, disease or pregnancy. The Company will pay the employee's share of the expense.

RULE 2.3 Group Life Insurance: The program provides \$35,000 coverage with the Company paying all premiums. Employees will be permitted to purchase additional group coverage on a voluntary basis at their own expense in \$5,000 units, maximum \$100,000 additional.

RULE 2.4 Accidental Death and Dismemberment: The Company will pay the premium cost for \$35,000 of coverage.

RULE 2.5 Extended Health Care: An 80%-20% co-pay plan will be purchased for each employee and their dependents with the Company paying 100% of the premium. A pay direct drug card will be provided to the members. (Allows pharmacy to submit claims electronically. Members pay only the portion not covered by the plan). Drug re-imburement will be limited to the cost of the lowest priced interchangeable drug. Coverage for non-generic drugs will be provided only when medically necessary. Out of country medical coverage will be provided with the Company paying 100% of the premium.

RULE 2.6 Dental: Employees will receive an 80%-20% co-pay preventative plan which includes checkups, cleaning, fillings, extractions, x-rays, root canals, periodontal and endodontic services to a maximum of \$1000.00 per family member per calendar year. The insurance would be maintained at prior year ODA levels during this contract.

RULE 2.7 Vision Plan: The Company agrees to pay \$175.00 per two (2) year period upon presentation of satisfactory evidence that the employee and/or a qualified dependant has purchased eye glasses or

contact lenses prescribed as necessary to correct his vision by a qualified physician. The benefit may be used toward the cost of an eye exam. An additional \$50.00 per two (2) year period may be used toward the purchase of prescription safety glasses for employees only.

RULE 2.8 Clothing Allowance: Employees will be provided with two(2) summer or one(1) winter coveralls at Company expense annually. A boot allowance, maximum \$290.00 in a two (2) year period will be paid upon production of a satisfactory receipt.

RULE 2.9 Employees to be paid at regular hourly rate while securing rules and a standard two (2) hours regular rate will be paid for medical examinations secured outside of regular working hours when requested by the Company.

RULE 2.10 Meal Allowance: The Company will provide \$10.00 toward the value of an overtime meal if an employee is required to work ten (10) hours or more in one shift.

RULE 2.11 Conditions for Loss of Benefits: If for any reason other than a work stoppage or a voluntary leave of absence an employee is unable to perform his normal or assigned duty for a period longer than three (3) months, the Company paid or Company-employee paid medical and dental benefits described will be suspended as of the first day of the fourth month. Benefits other than dental and medical will be suspended in accordance with provisions of the Group Insurance Contract. Employees without benefits for three (3) months or longer will have to work 30 tours of duty before benefits status or company paid premium contribution is reinstated.

RULE 2.12 **Retirement**

RULE 2.12.1 Employees age sixty-three to sixty-five (63 - 65) retiring with pension after fifteen (15) years or more of continuous service, the Company will provide extended health care, 80%-20% co-pay. No extended Health Care benefit is provided for retirees after age sixty-five (65). A retiring allowance of \$2,500 will be paid by the Company to the retiree.

RULE 2.12.2 Deleted

RULE 2.13 Bereavement

RULE 2.13.1 Immediately upon the death of an employee's spouse, common law partner, child, parent, brother, sister, step (or common law) parent, father-in-law or mother-in-law, stepchild (or common law child), grandchild, grandparent or any relative who resides permanently with the employee or with whom the employee permanently resides, the employee shall be entitled to bereavement leave without loss of pay for working days that fall within the three (3) days immediately following the day of death provided he has not less than 3 months cumulative compensated service. Time off may be adjusted to cover the actual dates of the funeral services.

RULE 2.13.2 It is the intent of this RULE 2.13 to provide for the granting of leave from work on the occasion of a death as aforesaid, and for the payment of his regular wages for that period to the employee to whom leave is granted. It will be the Company's intention here to reserve the right to ask for proof of death.

RULE 2.13.3 Definition of eligible spouse will be defined by federal legislation.

RULE 2.14 Parental leave shall be granted according to the provisions Canada Labour Code.

RULE 3 Hours of Work, Meal Period and Rest Breaks

RULE 3.1 35 - 40 hours over any five (5) days shall constitute a week's work.

RULE 3.2 Hours of Work

RULE 3.2.1 When continuous service in excess of the scheduled work day is required in regular operations, twenty (20) minutes will be allowed at the scheduled quit time for a meal without loss of pay.

RULE 3.2.2 Regular day shifts shall commence at or between 0600 and 0800 hours. Shift start time may be adjusted for weather related emergencies at the Company's discretion.

RULE 3.2.3 Employees' time will start and end at designated shop points. Where local conditions necessitate it temporarily, other assembling points may be determined within the area serviced by the ETR. Time going to and from work on Company vehicles will be included in day's work.

RULE 3.2.4 Hours of service for the work week may not be changed without seven (7) calendar days' notice. Forty-eight (48) hours' notice will be provided when changing shift start times.

RULE 3.3 Assignment of Rest Days

RULE 3.3.1 The rest days shall be consecutive as far as is possible, and working an employee on an assigned rest day be avoided. Preference shall be given to Saturday and Sunday, or Sunday and Monday.

RULE 3.4 Overtime and Calls

RULE 3.4.1 Deleted

RULE 3.4.2 Work in excess of eight (8) hours per day or employee's scheduled hours per day or forty (40) straight-time hours in any work-week shall be paid for at one and one-half times the employee's regular rate of pay.

RULE 3.4.3 There shall be no overtime on overtime. Nor shall time paid for in the nature of arbitraries or special allowances such as attending court, etc., be utilized for this purpose.

RULE 3.4.4 Deleted

RULE 3.4.5 Call-in Pay: Employees required to report for work, not continuous with before or after their regularly assigned shifts, shall be allowed call-in pay of four (4) hours at overtime rates.

RULE 3.4.6 Calls outside regularly assigned hours shall be governed by RULE 3.4.5.

RULE 3.4.7 In emergencies, employees shall not be required to work more than sixteen (16) hours continuously without a rest of eight (8) hours.

RULE 3.5 Equalizing Overtime

RULE 3.5.1 Employees shall not be required to suspend work in regular working hours to equalize overtime.

RULE 3.6 Except in cases of emergency or temporary urgency, employees outside of the Maintenance of Way service shall not be assigned to do work which properly belongs to the Maintenance of Way department, nor will Maintenance of Way employees be required to do any work except such as pertains to Maintenance of Way service, or as described in RULE 7.10.

RULE 3.6.1 The Company will give notice of any material change in working conditions or alterations in conditions of employment of a permanent nature, and be prepared to discuss same with the employees.

RULE 4 Investigations and Discipline

RULE 4.1 No Employee shall be suspended (except for investigation) or dismissed until their case has been investigated. An employee disciplined, or who considers themselves unjustly treated, shall have a fair and impartial hearing, provided a written request is presented to their immediate supervisor within ten (10) days of date of advice of discipline, and the hearing shall be granted within ten (10) days thereafter. An employee may have the assistance of one or more local representatives at an investigation, and on request shall be furnished with a copy of evidence taken, and a written statement giving results of investigation. An employee found blameless, if disciplined or dismissed, shall be reinstated and paid at schedule rate for each day lost.

RULE 4.2 Any appeals on decisions taken according to the provisions of this RULE 4, will be submitted in writing within ten (10) working days according to RULE 5.4 of this agreement.

RULE 4.3 When discipline is recorded against an employee they will be advised in writing.

RULE 5 **Grievance Procedure**

RULE 5.1 General: Should an employee who has acquired seniority have a complaint arising from the interpretation or alleged violation of this Agreement or if they consider that they have been unjustly disciplined, the Grievance Procedure shall be as follows:

RULE 5.2 Step 1: The employee who has a grievance will meet with the Road Master or other official designated by the Superintendent to discuss their grievance within three (3) working days of when the employee knew or should have known of the violation or matter complained of but in no circumstance later than 15 days after the occurrence. This will initiate the grievance procedure.

RULE 5.3 The employee may be accompanied by a Union Representative and the Road Master may be accompanied by another member of management. The Road Master shall provide an oral decision within three (3) working days following oral notification of the complaint to the Road Master.

RULE 5.4 Step 2: If a satisfactory settlement is not reached at the foregoing step, the grievance shall then be submitted in writing to the Superintendent or their representative by the Unit Chair within seven (7) days of the Road Master's decision from Step 1, submitting any information relating to the grievance which may help to clarify the matter. The Superintendent will render their decision in writing within seven (7) days of receipt of the grievance.

RULE 5.5 Step 3: If the decision of the Superintendent is not satisfactory the Local Union President or their representative may appeal in writing to the General

Manager or their representative within thirty (30) days of the Superintendent's decision. At the same time, the Union may submit any additional information relating to the grievance which may help clarify the matter. The President or designate will render their decision in writing on a grievance within thirty (30) days of receipt of the grievance.

RULE 5.6 Time Claims: Employees will be advised promptly in writing through the proper officer, with the reason, if time claimed is not allowed in full. In case time is disputed, the time not in dispute will be paid in the current pay period. Time cheques will be issued upon request for any shortage of eight (8) hours or more.

RULE 5.7 Time Limitations: The time limits foreseen at the various steps of the grievance and arbitration procedure may be extended by mutual consent, in writing, by both the Company and the Union.

RULE 5.7.1 The use of the word "day" with respect to actions to be taken in the grievance procedure shall be interpreted as meaning calendar day except where otherwise provided herein.

RULE 5.8 Arbitration: Any allegation by either the **Union or** the Company that the other party has violated or misinterpreted this Agreement may be lodged in writing as a policy grievance, if by the Union to management, and if by the Company to the Local Union President or their representative. Such grievance shall be submitted to the other party within five (5) working days of the alleged violation or matter complained of.

RULE 5.8.1 Thereafter, the grievance shall be dealt with at Step 3 of the grievance procedure. In the case of a Company policy grievance, references to Local Union President and the President or designate shall be reversed and the word "employee" shall be substituted with "the Company". Failing satisfactory settlement at Step 3, the policy grievance may be referred by either party to arbitration within the time limits provide in this Agreement.

- RULE 5.8.2** An Arbitrator shall have the power, with respect to policy grievances filed by the Union or the Company, to award damages as a remedy with respect to said policy grievance.
- RULE 5.8.3** If the decision from Step 3 of the grievance procedure is not satisfactory to the grieving party, such grievance may be submitted to arbitration provided written notice of the referral to arbitration is served on the other party within fifteen (15) days of the Step 3 reply or the expiry of the time period for delivery of the Step 3 reply.
- RULE 5.8.4** Upon notice from one party, following a failure to reach a satisfactory settlement at Step 3, that it intends to proceed to arbitration on a grievance, that party shall propose the names of three (3) possible Arbitrators to adjudicate the grievance.
- RULE 5.8.5** The party receiving the notice referring the matter to arbitration shall have seven (7) days to respond in writing to the proposed Arbitrators, either agreeing to have one of those proposed to adjudicate the grievance, or proposing the name of three (3) different Arbitrators.
- RULE 5.8.6** Failing agreement on the Arbitrator to hear the grievance within fourteen (14) days, either party may request that the Minister of Labour appoint an arbitrator to hear the matter.
- RULE 5.8.7** The parties shall each pay an equal share of the expenses of the Arbitrator.
- RULE 5.8.8** The Arbitrator selected to hear the grievance shall have authority to make a final and binding determination with respect to the grievance. The Arbitrator shall have the power, in addition to the power conferred by the Canada Labour Code, to modify, cancel or substitute another penalty in respect of any disciplinary measure imposed by the Company, provided that reasonable grounds exist for so doing, and may order the Company to compensate an employee for losses occasioned as a result of any wrongful action by the Company. Notwithstanding the foregoing, the Arbitrator shall not have the jurisdiction to alter or change any of the

provisions of this Agreement, or to substitute any new provision in lieu thereof, or to give any decision inconsistent with the terms and conditions of this Agreement, or to deal with any matter not covered by this Agreement.

RULE 5.9 Retroactive Pay: Any settlement of a dispute which involves retroactive pay will be remitted to the employee as soon as possible, and not later than thirty (30) days after the settlement.

RULE 6 Jury Duty

RULE 6.1 An employee summoned for jury duty and who is required to lose more than five (5) working days' time from their assignment as a result thereof shall be paid for actual time lost excluding the first five (5) days. The pay will be based on scheduled number of hours they would have worked at the straight-time rate applicable to the service last performed, less the amount allowed them for jury duty for each day (excluding allowances paid by the court for meals, lodging or transportation), subject to the following requirements and limitations:

RULE 6.2 Deleted

RULE 6.3 An employee must furnish the Company with a statement from the court of jury allowances paid and the days on which the jury duty was performed.

RULE 6.4 The number of working days for which jury duty pay shall be paid is limited to a maximum of thirty (30) days in any calendar year.

RULE 6.5 No jury duty pay will be allowed for any day for which the employee is entitled to vacation or general holiday pay. An employee who has been allotted their vacation dates will not be required to change their vacation because they are called for jury duty.

RULE 6.6 Employees attending court or investigations at the request of the proper officials of the Railway, or required to attend inquests, in which the Railway is concerned, will be paid at scheduled rates for the scheduled number of hours they would have worked and

reasonable expenses. This will not apply where employees are required for examination for promotion, disability, to meet legal requirements, or in connection with irregularities for which they are found to be responsible. Any fee or mileage accruing will be assigned to the Railway.

RULE 7 Advertisement and Filling of Positions

- RULE 7.1** Employees shall be promoted on the basis of merit, fitness and ability. When merit, fitness and ability are equal, seniority shall govern.
- RULE 7.2** New position or permanent vacancies will be promptly bulletined for three (3) working days and copies of bulletins posted where they will be available to all employees. Employees desiring such positions will file their applications with the designated officer within that time and an appointment will be made within five (5) working days thereafter; such position or vacancy may be filled temporarily pending an assignment. The bulletin will state title of position, duties, assigned hours of service, meal period and rate of pay. The name of the appointee will immediately thereafter be posted where the position or vacancy was bulletined.
- RULE 7.3** Vacancies of a known duration of thirty (30) days or more, other than annual vacations will be bulletined.
- RULE 7.4** Copies of bulletins and names of applicants for new positions or vacancies will be furnished to the representative of the organization upon request.
- RULE 7.5** Any appeal against appointment must be made in writing within fifteen (15) calendar days.
- RULE 7.6** In the event of a vacancy or new appointment occurring, and no application being made, employees of the other classifications shall have preference in filling vacancies or new appointments before new employees are hired.
- RULE 7.7** Temporary vacancies of less than thirty (30) calendar days required by the Company to be filled, shall be filled by the senior qualified employee immediately

available. An employee who does not exercise their seniority to such a temporary vacancy of thirty (30) calendar days or less will not forfeit any seniority.

RULE 7.8 Employees temporarily assigned to higher rated scheduled positions shall receive the higher rates while occupying such positions.

RULE 7.9 Employees temporarily assigned to lower rated positions shall not have their rates reduced.

RULE 7.10 Job Positions: Equipment Operator position includes operating the backhoe and boom truck. The Equipment Operator rate will apply to those employees who operate the equipment for four (4) hours or more per day. Where an employee works less than four (4) hours, they will be paid for actual time operating the equipment. Track Welder position includes performing welding duties. Track Maintainer position includes all other duties including driving vehicles and pickup trucks. The Track Foreman position is a working foreman position and responsibilities include the direction, supervision and safety of the department employees and all other duties as directed by the Road Master.

RULE 8 Seniority Standing

RULE 8.1 Complete lists of all Maintenance of Way employees covered by this agreement, showing their seniority standing in their respective classifications, and dates of promotion, shall be prepared at the beginning of each year, a copy of which shall be furnished to representatives of the employees, and a copy of the list posted at headquarters of each gang. All lists shall be open for correction on proper representation within six (6) months from date of issue.

RULE 8.2 A new employee shall not be regarded as permanently employed until after ninety (90) days worked and within such period may, without investigation, be removed for cause which in the opinion of the Railway renders them undesirable for its service. If retained, their seniority in the Maintenance of Way Department shall commence from the date on which

they first entered service in a classification coming within the scope of this agreement. A new employee will qualify for two (2) floater days RULE 11.2 only after becoming permanently employed, and if qualified under RULE 11.3.

RULE 8.2.1 Days worked for seasonal employees between May 1st and August 31st will not count toward their probationary period.

RULE 8.3 Unless by arrangement between local committees made through the President of Local 2004 and Officers of the Railway, seniority standing shall not be changed after being posted for six (6) months without protest.

RULE 8.4 Employees, if qualified shall have preference of other job opportunities before engagement of new employees.

RULE 8.4.1 When required, employees shall undertake training or upgrading to perform necessary job duties.

RULE 8.5 Deleted

RULE 8.6 An employee obtaining a temporary vacancy by bid in their own or higher classification will return to their former position at the conclusion of the temporary vacancy unless they have, in the meantime, obtained a permanent position by bulletin. An employee obtaining a position by bulletin in a lower classification shall forfeit seniority in the higher classification.

RULE 8.7 An employee accepting an official position (RULE 12.3) may be returned to their former position if such change is made within a period of one (1) year, and after one (1) year they may displace the junior permanent employee of their class in their seniority group.

RULE 8.8 Loss of Seniority

RULE 8.8.1 When reducing forces, seniority shall govern. When forces are increased, employees shall be returned to service in the order of their seniority in their respective classification. Employees desiring to avail themselves of this Rule must file their

addresses with the superintendent at the time of reduction and advise promptly any change of address. Employees shall be given at least ninety-six (96) hours' notice before reduction is made. In instances beyond the control of the Company less than ninety-six (96) hours' notice may be given.

RULE 8.8.2 The seniority rights and employment of an employee shall cease for any of the following reasons and their employment shall deem to be terminated:

RULE 8.8.2.1 If an employee quits;

RULE 8.8.2.2 If an employee is discharged and such discharge is not reversed through the grievance procedure;

RULE 8.8.2.3 If an employee fails to renew their address or return to work within six (6) consecutive scheduled working days after receipt of a notice of recall issued by the Company and sent registered mail to the last known address of the employee shown in the Company's records;

RULE 8.8.2.4 If an employee fails to report to work upon the expiration of any leave of absence, unless a reason satisfactory to the Company is provided;

RULE 8.8.2.5 If an employee is absent for three (3) consecutive working days without notifying the Company unless a reason satisfactory to the Company is provided;

RULE 8.8.2.6 If an employee intentionally falsifies the reason for a leave of absence;

RULE 8.8.2.7 If an employee with less than twenty-four (24) months seniority has performed no compensated service for a period in excess of eighteen (18) consecutive months or if an employee with twenty-five (25) months or more seniority has performed no compensated service for a period in excess of twenty-four (24) consecutive months. This will not apply to employees off a bona-fide workplace injury.

RULE 8.8.3 Employees terminating their employment when their services are required shall, in the event of re-employment, rank as new employees.

RULE 8.8.4 Employees leaving the service of the Railway shall be furnished with certificates of service, if requested.

RULE 9 Leave of Absence

RULE 9.1 Leave of absence shall be granted to members of duly appointed committees for the adjustment of matters in dispute between the Railway and the employees after a request in writing has been made to the proper officer.

RULE 10 Vacation

RULE 10.1 Vacations with Pay: An employee who, at the beginning of the calendar year, has less than one (1) year of continuous employee relationship, but who has had more than 240 hours cumulative compensated service in the preceding calendar year, shall be allowed one (1) hour vacation with pay for each 25 hours worked during the preceding calendar year, with a maximum of 80 hours, until qualifying for further vacation under RULE 10.2.

RULE 10.2 An employee who at the beginning of the calendar year has maintained a continuous employee relationship for at least five (5) years and has completed 10,000 hours cumulative compensated service shall be allowed one (1) hour vacation with pay for each 16.67 hours worked during the preceding calendar year with a maximum of 120 hours, until qualifying for further vacation under RULE 10.3.

RULE 10.3 An employee who at the beginning of the calendar year has maintained a continuous employee relationship for at least ten (10) years and has completed 20,000 hours cumulative compensated service shall be allowed one (1) hour vacation with pay for each 12.5 hours worked during the preceding calendar year with a maximum of 160 hours, until qualifying for further vacation under RULE 10.4.

RULE 10.4 Nineteen Years Employment: An employee hired prior to January 1, 2015 who at the beginning of the calendar year has maintained a continuous employee

relationship for at least nineteen (19) years and has completed 38,000 hours cumulative compensated service shall be allowed one (1) hour vacation with pay for each 10 hours worked during the preceding calendar year, with a maximum of 200 hours.

RULE 10.5 Deleted

RULE 10.6 In computing service under RULE 10.1, RULE 10.2, RULE 10.3, RULE 10.4, days worked in any position covered by similar vacation agreements will be accumulated for the purpose of qualifying for vacation with pay. A year's service is defined as 2,000 hours of cumulative compensated service.

RULE 10.7 Provided an employee renders compensated working service in any calendar year, time off-duty on account of bona fide illness, injury, to attend committee meetings, called to court as a witness, or jury duty, not exceeding a total of 800 hours in any calendar year, shall be included in the computation of service for vacation purposes.

RULE 10.8 An employee will be compensated for vacation at the rate of pay they would have earned had they been working during the vacation period or 4%, or if over six (6) years' service 6%.

RULE 10.9 An employee retired, deceased, having services dispensed with due to disability or resigning after due notice 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, and, if not granted, shall be allowed pay in lieu thereof.

RULE 10.10 An employee who is laid off shall be paid for any vacation due him 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.

- RULE 10.11** An employee dismissed for cause or leaving the service without due notice shall be paid for any vacation due them at the beginning of the current calendar year and not previously taken.
- RULE 10.12** An individual who, (1) leaves the service of their own accord; (2) is dismissed for cause and not reinstated in the service within one (1) year of date of dismissal will, if subsequently returned to the service, be required to again qualify for vacation with pay as per RULE 10.1.
- RULE 10.13** Applications for vacation filed prior to February 1st of each year, shall insofar as it is practicable to do so, be given preference in order of seniority of applicants. Employees unable to file or who do not take their vacation at the time allotted shall be required to take their vacation at a time prescribed by the Company. Earned vacations of four (4) weeks or longer may be separated into more than two parts of one (1) week or more when appropriate notice is given. Such vacation may not be accrued to the following year except as provided in RULE 10.15.
- RULE 10.14** An employee who, while on annual vacation, becomes ill or is injured shall have the right to terminate (temporarily) their vacation, and be placed on weekly indemnity, provided written application is made. An employee who is 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 employee's scheduled dates, such vacation will be re-scheduled as may be mutually agreed between the proper officer of the Company and the authorized Local Union Representative.
- RULE 10.15** An employee who, due to sickness or injury, is unable to take or complete their annual vacation in that year shall with the consent of the Company, have the right to have such vacation carried to the following year. Such vacation, if they have returned to work, must be taken prior to April 1.
- RULE 10.16** An employee covered by RULE 10.2, RULE 10.3 or RULE 10.4 will be entitled to vacation on the basis

outlined therein if on his fifth, tenth or nineteenth, or subsequent service anniversary date he achieves the required days of cumulative compensated service, otherwise their vacation entitlement will be calculated as set out.

RULE 10.17 Any vacation granted for which the employee does not subsequently qualify will be deducted from the employee's vacation entitlement in the next calendar year. If such employee leaves the service for any reason prior to their next vacation, the adjustment will be made at time of leaving.

RULE 10.18 Vacation Days as Personal Leave - employees may utilize 5 days earned vacation as personal leave days, provided that there is no additional cost to the company. Requests must be made in writing at least 48 hours in advance to the Road Master or his designate who will allow if staffing and business needs permit. If 48 hours' notice is not provided, then leave will be granted at the company's discretion for emergency situations only.

RULE 11 Holidays

RULE 11.1 Employees who qualify in accordance with this RULE 11 shall receive pay at the pro rata rate (hourly) for the hours they would have worked that day for each of the holidays specified in RULE 11.2.

RULE 11.2 There will be eleven (11) recognized general holidays:

New Year's Day

Good Friday

Victoria Day

Canada Day

Civic Holiday (1st Monday in August)

Labour Day

Thanksgiving Day

Christmas Day

Boxing Day

Two (2) Floater Days see RULE 8.2 and (a), (b) below

(a) Application in writing required at least one week before the desired date, subject to shorter notice in the case of a bereavement not provided for in RULE 2.13.

(b) Seasonal employees shall not be entitled to floater days.

RULE 11.3 In order to qualify for pay for any one (1) of the first nine (9) holidays specified an employee:

RULE 11.3.1 must have been in the service of the Company and available for duty for at least thirty (30) calendar days;

RULE 11.3.2 must be available for duty on such holiday if it occurs on one of their work days excluding vacation days. An employee who is required to work on such general holiday shall be given an advance notice of four (4) 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. (This RULE 11.3.2 does not apply in respect of an employee who is laid off or suffering from a bona fide injury or who is hospitalized on the holiday).

RULE 11.3.3 must be entitled to wages for at least twelve (12) shifts or tours of duty during the thirty (30) calendar days immediately preceding the general holiday.

RULE 11.3.4 a qualified employee whose vacation period coincides with any of the general holidays specified in RULE 11.2 of this RULE 11, shall receive an extra day's vacation with pay for that general holiday.

RULE 11.3.5 Deleted

RULE 11.3.6 An employee who is required to work on a general holiday shall be paid for all time worked at overtime rate in addition to holiday pay based on the number of hours pay and pay rate that he would have received if they had worked that day. Should an employee work more than their regular scheduled hours on a holiday, the employee shall be paid 8 straight time hours for the general holiday.

RULE 11.3.7 An employee who does not qualify under this RULE 11 with respect to pay for a general holiday and who is

required by the Company to work on that day shall be paid in accordance with the Collective Agreement.

RULE 11.4 For work performed on such general holiday within regularly assigned work hours such employees shall receive a minimum of four (4) hours at overtime rate for which four (4) hours' service may be required, but employees called for a specific emergency shall not be required to perform routine work to make up such minimum time.

RULE 11.5 In the event of a specified holiday falling on a Saturday or Sunday, the date specified by the Federal Government shall be considered the holiday. Canada Day may be observed on an alternate day at the company's discretion.

RULE 11.6 Employees who do not qualify for general holiday pay in accordance with RULE 11.3 of this RULE 11, and who are required to work on the holidays, named in RULE 11.2 shall be paid at the of rate time and one-half.

RULE 12 Union Dues

RULE 12.1 The Railway will continue to deduct on the payroll for the 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 Union dues of the United Steelworkers subject to the conditions and except as set forth hereunder.

RULE 12.2 The amount to be deducted shall be equivalent to the uniform, regular dues payment of the United Steelworkers and shall not include initiation fee or special assessments. The amount to be deducted shall not be changed during the term of the agreement excepting to conform with a change in the amount of regular dues of the United Steelworkers in accordance with its constitutional provisions. The provisions of this RULE 12 shall be applicable to the United Steelworkers on receipt by the Railway, of notice in writing from the United Steelworkers, of the amount of regular monthly dues.

- RULE 12.3** Employees filling positions of a supervisory or confidential nature, not subject to all the rules of the applicable Agreement, will be required to maintain full dues payments, or forfeit seniority and return rights (RULE 8.7).
- RULE 12.4** Membership in the United Steelworkers shall be available to any employee eligible under the constitution of the United Steelworkers on payment of the initiation fee or reinstatement fees uniformly required of all other such applicants. Membership shall not be denied for reasons of race, national origin, colour or religion.
- RULE 12.5** Deductions for Union Dues for new employees shall commence on the second pay period of the month.
- RULE 12.6** If the wages of an employee payable on the payroll for the second pay period of any month, are insufficient to permit the deduction of the full amount of dues no such deduction shall be made from the wages of such employee by the Railway in such month. The Railway shall not, because the employee did not have sufficient wages payable to them on the designated payroll, carry forward the dues not deducted in an earlier month.
- RULE 12.7** 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 for the United Steelworkers holding the agreement under which the preponderance of their time is worked in that period. Not more than one (1) deduction of dues shall be made from any employee in any month.
- RULE 12.8** Only payroll deductions now or hereafter required by law, deduction of monies due or owing the Railway, pensions and provident funds shall be made from wages prior to the deduction of dues.
- RULE 12.9** The amount of dues so deducted from wages accompanied by a statement of deductions from individuals shall be remitted by the Railway to the Officer or Officers of the United Steelworkers, as may be mutually agreed by the Railway and United Steelworkers, not later than forty (40) calendar

days following the pay period in which the deductions are made.

RULE 12.10 The Railway shall not be responsible financially or otherwise, either to the United Steelworkers to any employee, for any failure to make deductions or for making improper or inaccurate deductions or remittances. However, in any instances in which an error occurs in the amount of any deduction of dues from an employee's wages, the Railway shall adjust it directly with the employee. In the event of any mistake by the Railway in the amount of its remittance to the United Steelworkers, the Railway shall adjust the amount in a subsequent remittance. The Railway's liability for any and all amounts deducted pursuant to the provisions of this article shall terminate at the time it remits the amount payable to the designated Officer or Officers of the United Steelworkers.

RULE 12.11 In the event of any action at law against the parties hereto or any of the resulting from any deduction or deductions from payrolls made or to be made by the Railway pursuant to this agreement, all parties shall cooperate fully in the defense of such action. Each party shall bear its own cost of such defense except that if at the request of the United Steelworkers counsel fees are incurred these shall be borne by the United Steelworkers. Save as aforesaid the United Steelworkers, jointly and severally, shall indemnify and save harmless the Railway from any losses, damages, costs, liability or expenses suffered or sustained by them or any of them as a result of any such deduction or deductions from payrolls.

RULE 12.12 Leave of absence for union business will be permitted with 2 weeks' notice.

RULE 13 **Miscellaneous**

RULE 13.1 In the event of work stoppage by members of another collective agreement, the members of the U.S.W. acknowledge their obligation to report to work and perform their duties as usual.

RULE 13.2 Failure to report all accidents and injuries as soon as possible in accordance with Canada Labour Code Part II will result in the employees being subject to discipline.


SIGNED FOR:


THE ESSEX TERMINAL RAILWAY COMPANY


UNITED STEELWORKERS LOCAL 2004



Teresa Boutet
Vice President


Mike Piché
Staff Representative


Ivan Pratt
Superintendent


Randy Koch
President


Todd Cotie
Chief Steward


Darryl Potter
Steward

Dated at Windsor, Ontario this 11th day of April, 2018.

LETTER OF UNDERSTANDING

Re: Layoffs

Work presently and normally performed by the members of this collective agreement will not be contracted out while members of this collective agreement are on layoff, provided that member or members on lay off are qualified to perform the work in question.

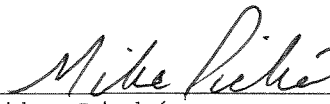
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Darryl Potter
Steward

Dated at Windsor, Ontario this 11th day of April, 2018.

LETTER OF UNDERSTANDING


Re: Personal Cell Phones

Employees who are required to use their personal cell phone for work purposes will be paid an allowance of \$25 per month. The Company will request the employees' permission in advance.

SIGNED FOR:

THE ESSEX TERMINAL RAILWAY COMPANY

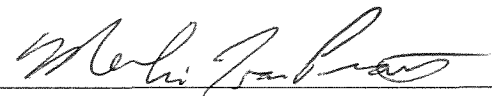
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