

LOCAL AGREEMENT BETWEEN THE CANADIAN PACIFIC RAILWAY COMPANY AND
THE TCRC DIVISION 310 AT EDMONTON REGARDING THE ROAD SWITCHERS
STARTING AT EDMONTON TERMINAL

1.0 Purpose of Agreement

This agreement will stipulate the payment and working conditions for the Star Road Switcher, Road Switcher assignment A, Road Switcher assignment B, Road switcher assignment C, Scotford #1 Road Switcher, Scotford #2 Road switcher and Breton Road Switcher, which will operate on the Leduc, Breton, Scotford and Willingdon subdivisions.

Currently these assignments are working as the A51, A59, A60, AE23, A56, A57 and the A53; changes can be made to these profiles without renegotiating this agreement.

2.0 Coverage

Locomotive Engineers, Conductors and Trainpersons (if required) with home terminal Edmonton will be governed by the terms of this agreement.

3.0 Specific Language

3.01 The Road Switcher assignment A, B, C, Scotford #1, Scotford #2, and Breton Road Switcher crew will consist of a Locomotive Engineer, Conductor and a Required Trainperson.

3.02 Local Officers of the company and Local Chairmen will make arrangements for starting times and required work days by mutual agreement for all road switcher assignments.

3.03 All Road Switchers will have a 50 mile radius on the Scotford, Willingdon and Breton subdivisions. With the exception of the Leduc subdivision which will have a 30 mile limit.

3.04 It is agreed that all Switchers shall be paid a Fixed Rate of 200 miles per tour of duty at Yard rates. The fixed rate of 200 miles will include all applicable payments as outlined in the collective agreement including but not limited to train length and length of run. Final inspection for Locomotive Engineers will be over and above the fixed rate.

3.05 These assignments will be operated at the discription of the company as required pending customer requirements, when called will operate as a twelve (12) hour a day assignment. Crews will be in and off duty within the 12 hr assignment.

3.06 If notice of rest is served by any member of the crew in accordance with Article 29.05 TCRC Collective Agreement or Article 27.04 TCRC Collective Agreement, Article 3.4 will not apply and payment will be governed by the terms of the respective Collective Agreements.

- 3.07 A premium will not be paid for working statutory holidays. Employees will be paid for the General Holiday an amount equal to the earnings for the tour of duty prior to the General Holiday.
- 3.08 If the crew is cancelled after commencing duty, payment will be in accordance with each crew members respective Collective Agreement.
- 3.09 Any relief crews may be called as Conductor only and fixed 200 miles at road switcher rate will apply (not yard rates).

The Following apply to Star Road Switchers:

Item 1.0, 2.0, 3.03, 3.04, 3.05, 3.06, 3.07, 3.08, 3.09

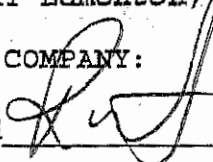
- > The Star Road Switcher will be called on an ad hoc basis.
- > The Star Road switcher crew will consist of a Locomotive Engineer and Conductor. A non-required Trainperson may be called at the Company's discretion. If road switcher is called Conductor only all applicable CT and EC claims are over and above the fixed rate.
- > As a result of this agreement there will be no loss of income to Red Deer crews in reference to the fixed rate on the Leduc sub when grain is moved from Star to the Leduc subdivision with the Star Road Switcher.

4.0 Cancellation Clause

- 4.1 This agreement shall become effective at 0001 July 10th, 2006. This is without precedent or prejudice to either party and can be amended, revised or cancelled upon 30 days written notice by either party.

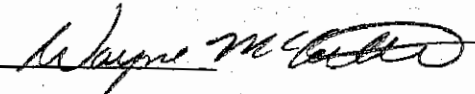
SIGNED AT Edmonton, Alberta this 26 day of June, 2006.

FOR THE COMPANY:

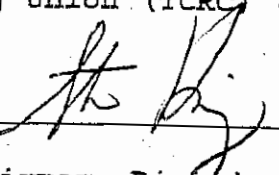
Signed 

Randy Merritt
Manager Operations
Canadian Pacific Railway
Edmonton, Alberta

FOR THE UNION:

Signed 

Wayne McCotter
Local Chairman, Division 310
Operating Union (TCRC) - T

Signed 

Stan Kniaz
Local Chairman, Division 310
Operating Union (TCRC) - LE