MEMORANDUM OF SETTLEMENT

Dated

January 16, 2024

Between

CANADIAN NATIONAL TRANSPORTATION LIMITED (CNTL)

And

UNIFOR - NATIONAL COUNCIL 4000

RE:

Application of collective agreement changes for Owner-Operators covering the years 2024, 2025, 2026, and 2027 as indicated herein.

The Company reserves the right to add to, revise, modify, substitute, amend, or withdraw any of the following, at its sole discretion. Any settlement or agreement reached on any item or items is conditional upon the conclusion of a global, total, and comprehensive memorandum of settlement, which has been ratified. The Company reserves the right to withdraw its agreement on any item or items, without prejudice, until such time as a final agreement is ratified.

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1. TERM OF CONTRACT:

The collective agreement covering CNTL Owner-Operators contracted to CNTL and represented by Unifor National Council 4000, shall remain in force, commencing January 16, 2024, and ending December 31, 2027.

2. COMPENSATION:

- Effective the second regular payment period following ratification, terminal wait time and customer wait time will increase by \$1.75 each, zone rates will increase by \$1.00, and mileage rates will increase by 3%.
- Effective January 1, 2025, terminal wait time and customer wait time will increase by \$1.25 each, zone
 rates will increase by \$1.00, and mileage rates will increase by 2%.
- Effective January 1, 2026, terminal wait time and customer wait time will increase by \$1.00 each, zone rates will increase by \$1.00, and mileage rates will increase by 2%.
- Effective January 1, 2027, terminal wait time and customer wait time will increase by \$0.75 each, zone rates will increase by \$0.75, and mileage rates will increase by 2%.
- Safety Bonus will increase by \$500 as of January 1, 2025, with no changes to eligibility rules.
- Article 12.4 is amended as follows:
 In the event that an Owner-Operator is required by CNTL to operate on a temporary basis at an away from home terminal for a period of in excess of 24 hours, the Owner-Operator will be provided with a \$125 all inclusive per diem for each 24-hour period assigned to that away from home terminal.
- Special Zone Adjustments as per Attachment "A".

3. ONE-TIME ALLOWANCE

In recognition of Owner-Operators' on-going commitment to improve safety and to assist with acquisition of safety appliances for their vehicles, the Company will grant a one-time allowance of \$1,000.00 to each Owner-Operator in active service on the date of ratification of this agreement, payable on the first pay period in 2025.

4. WORK RULES

Article 1.6 (a) to be replaced with:

It is agreed by the Company and Unifor that there shall be no discrimination or harassment towards an owner-operator based on the owner-operator's age, marital status, race, colour, national or ethnic origin, political or religious affiliation, sex, family status, pregnancy, disability, union membership, sexual orientation or gender identity.

Article 5.4 and 5.5 to be replaced with:

Step 1

5.4 Within fourteen (14) calendar days from cause of grievance, the Owner-Operator and/or the Local Chairperson, or an authorized committee member, may present the grievance in writing to the appropriate Driver Manager who will give a decision within fourteen (14) calendar days of receipt of grievance.

Step 2

5.5 Within fourteen (14) calendar days of receiving decision under Step 1, the Local Chairperson or their designate of the Union, will advise and meet with the Driver Manager (or their designate) in a Grievance Meeting with the aim of resolving outstanding grievances declined at Step 1. Every effort shall be made to schedule such meetings during normal working hours. A decision must be rendered within fourteen (14) calendar days from the date the Grievance meeting is held.

Article 7.4 to be replaced with:

The name of the Owner-Operator shall be placed on the applicable seniority list immediately upon commencing actual service under contract to the Company, once the first revenue generated move has been assigned. In instances where Owner-Operators have been previously contracted to the Company and the contract was terminated for any reason, such time previously under contract will not be taken into account in the determination of seniority.

New Article 9.1 (d) to be added:

In instances where Owner-Operators have received a dispatch and are subsequently re-directed to an alternate dispatch while in transit, the Owner-Operator will be compensated based on the completed miles at the time of notification (break down move or turnaround move).

Article 10.2 to be replaced with:

Individual Owner-Operators will be required to designate a replacement driver(s) to perform service for the Company on behalf of the Owner-Operator using the Owner-Operator's equipment when the Owner-Operator is absent for any reason. Owner-Operators remain responsible to act as the principal driver of their own tractor unless an exception is made in writing between the Company and the Union to exempt them from this requirement because of special circumstances for a temporary period.

NEW Article 12.6(f) to be added:

Owner-Operators will be reimbursed for all costs they paid in accordance with Article 12.6 (e) when leaving the service of the company.

5. APPENDICES

Appendix 1 – the following text is to be added:

In instances where a reduction of the overall number of Owner-Operators is necessary, the parties will provide the affected Owner-Operators with a minimum of seven (7) calendar days' notice prior to implementing any layoffs.

In addition to considering the 55-hour standard outlined in Appendix 1, before any change is made to the fleet size at a terminal, the parties will meet and discuss multiple factor and various data points to ensure the terminal fleet is rightsized for current business needs, as per the current practice.

Appendix 18 (Attachment "B" of the 2019 MOS) – the following text is to be added:

The Owner-Operator will be required to provide their contact information (cell phone number, email address, home address) sign and return the standard contract within thirty (30) calendar days. Failing to do will result in their name being removed from the seniority list and they will no longer be engaged under the terms of the collective agreement or the standard contract.

- Appendix 19 (Attachment "C" of the 2019 MOS) to be amended as shown in Attachment "B" of this document.
- Appendix 21 (Attachment "E" of the 2019 MOS) to be amended as shown in Attachment "C" of this document.
- Appendix 26 (Attachment "P" of the 2019 MOS) to be amended as shown in Attachment "D" of this document.

6. UPDATED LETTERS

- Attachment "M" of the 2019 MOS is replaced with Attachment "E" of this document administration of future benefits package
- Attachment "O" of the 2019 MOS is replaced with Attachment "F" of this document Truck Licencing System at Port of Vancouver
- Letter of Agreement signed September 15, 2022, is replaced with Attachment "G" of this agreement speeding

7. NEW LETTERS OUTSIDE OF THE COLLECTIVE AGREEMENT

- Attachment "H" Letter of Understanding related to letters confirming Owner-Operators drove under contract with CNTL.
- Attachment "I" Letter of Understanding related to sharing of personal information with third party contractors.
- Attachment "J" Letter of Understanding related to parties' commitment to meet and discuss the application of the demerit point system.
- Attachment "K" Letter of Understanding related to use of the ISAAC system.

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Attachment "L" - Letter of Understanding related to the work performed by third party carriers and more specifically TransX.

Attachment "M" - Letter of Understanding related to replacement drivers.

Attachment "N" - Letter of understanding related to expedited Mediation / Arbitration.

Attachment "O" - Letter of understanding related to alternate fuels.

Attachment "P" - Letter of understanding related to the Green Freight Program.

Attachment "Q" - Letter of understanding related to excessive Terminal wait time.

Attachment "R" - Letter of understanding related to day cabs.

Attachment "S" - Letter of understating related to Montreal dispatch, rates and mileage.

Attachment "T" - Letter of understanding related to a joint review of short highway cut offs.

Attachment "U" - Letter of understanding related to the use of CNTL fuel cards for DEF.

8. RENEWED LETTERS OF UNDERSTANDING

The following letters of understanding are renewed as is for the life of this agreement:

- Attachment "F" from 2019 MOS federal, provincial laws, statutes and regulations
- Attachment "I" from 2019 MOS fleet rebates for tires
- Attachment "L" from 2019 MOS 407 tolls
- Attachment "Q" from 2019 MOS approval of replacement drivers
- Attachment "R" from 2019 MOS use of CN branded tractor in public event or parade
- Attachment "T" from 2019 MOS workplace harassment and complaints
- Attachment "Z" from 2019 MOS internal logistic park moves

9. GENERAL

Article 14.1 will be amended as follows:

This Agreement shall remain in full force and effect until December 31, 2027, and thereafter, subject to a 120-day notice in writing by either party to this Agreement to revise, amend, or terminate it. Such notice may be served at any time as of September 1, 2027, unless otherwise specified herein.

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The foregoing changes are in full and final settlement of all requests served by either party signatory hereto on or subsequent to September 1, 2023.

This Memorandum of Settlement is subject to ratification by the Union and the Company and the provisions herein shall become effective on the first day of the month following such ratification, except as otherwise noted. The Union negotiating committee shall use its best efforts and recommend ratification of this agreement based on the terms and conditions specified herein.

Signed at Brampton, Ontario this 16th day of January 2024.

FOR THE COMPANY:

Melanie Martens

Senior Manager, Labour Relations

Thomas Hennig

Director, Trucking Operations CNTL

James McKay

Senior Manager, CN Road Operations

Stephanie Hedley

Senior Director, Human Resources

FOR THE UNION:

Dave Kissack

President, Unifor National Council 4000

Prabhjot Sekhon

Regional Representative

Unifor National Council 4000

Baldev Sran

Local Chairperson, Unifor Local 4001

Steven Harding

Local Chairperson Unifor Local 4005

Gurjit Takha /)

Local Chairperson, Unifor Local 4004

Jai Cheema

Bargaining Representative, Unifor Local 4003

Sheema

Fr. Whi

Majid Muhammad Local Chairperson, Unifor Local 4002

Alexandre Lamarre

National Representative, Unifor

Barry Kennedy

National Representative, Unifor

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January 12, 2024

This letter is further to our discussions concerning CNTL's Special Zone Adjustments. These adjustments will be implemented after the general compensation increases in Year 1 of the renewed collective agreement.

The company agrees to the following special zone adjustments:

- Halifax zone moves between zone 1 to 4 will be increased by \$4.00
- Moncton adjusting part of zone 4 to become part of zone 7
- Montreal zone moves between zone 27 to 20 will be increased by \$20.00
- Montreal zone moves between zone 8 to 20 will be increased by \$10.00
- Montreal zone moves between zone 9 to 20 will be increased by \$10.00
- Montreal zone moves between zone 8 to 13 will be increased by \$10.00
- Montreal zone moves between zone 9 to 13 will be increased by \$10.00
- Montreal zone moves between zone 13 to 15 will be increased by \$7.50
- Montreal zone moves between zone 1 to 2 will be increased by \$2.50
- Montreal zone moves between zone 1 to 4 will be increased by \$2.50
- Montreal zone moves between zone 1 to 8 will be increased by \$2.50
- Montreal zone moves between zone 1 to 11 will be increased by \$2.50
- Montreal zone moves between zone 1 to 13 will be increased by \$3.50
- Montreal zone moves between zone 1 to 15 will be increased by \$2.50
- Montreal zone moves between zone 1 to 25 will be increased by \$5.00
- Montreal zone moves between zone 1 to 20 will be increased by \$5.00
- Brampton Team rate to be adjusted to \$1.768
- Brampton move the city of Erin to become part of zone 22
- Brampton zone 1 to 19 will be increased by \$4.60 to match zone 1 to 2
- Brampton short highway cutoff is adjusted from 70 to 104 miles
- Brampton zone moves between zone 13 and Brantford will add 15 miles
- Brampton zone moves between zone 18 and Brantford will add 10 miles
- Brampton 401 corridor zones:
 - o zone 1 to 8 will be increased by \$3.33
 - o zone 1 to 9 will be increased by \$3.33
 - o zone 1 to 10 will be increased by \$3.33
 - o zone 1 to 12 will be increased by \$4.00
 - o zone 1 to 20 will be increased by \$5.00
 - o zone 1 to 16 will be increased by \$5.00
 - o zone 1 to 11 will be increased by \$3.33
 - o zone 1 to 13 will be increased by \$3.00
- Winnipeg short highway adjustments:
 - Delmar Commodities Pegasus number 437639 \$27 round trip premium

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- o WM Dyck & Sons Pegasus number 417185 \$12 round trip premium
- o Tank Traders Pegasus number 468966 \$26 round trip premium
- o Trouw Nutrition Pegasus number 439424, 460293, 463159 \$14 round trip premium
- Winnipeg zone moves between zone 1 to 9 will be increased by \$7.00
- Winnipeg zone moves between zone 2 to 5 will be increased by \$7.00
- Saskatoon zone moves between zone 1 to 2 will be increased by \$5.00
- Saskatoon zone moves between zone 1 to 3 will be increased by \$5.00
- Saskatoon zone moves between zone 1 to 4 will be increased by \$5.00
- Calgary zone moves between zone 2 to 24 will be increased by \$4.00
- Calgary zone moves between zone 1 to 50 will be increased by \$9.12
- Calgary City of Airdrie moves from zone 24 to zone 25
- Edmonton \$15 dollars will be added to tarp rate
- Edmonton Vodden yard will be adjusted to be part of zone 2
- Edmonton Trouw Nutrition in Westlock Pegasus number 434795 \$30 round trip premium
- Vancouver zone moves between zone 1 to 3 will be increased by \$16.56
- Vancouver zone moves between zone 1 to 11 will be increased by \$6.88
- Vancouver zone moves between zone 1 to 1 will be increased by \$8.03
- Vancouver Squamish moves will be provided \$27.50 surcharge on one-way moves

or 9MM

The Parties agree to the following revision to Appendix 19:

November 16, 2023

This is to confirm that only those provisions specifically identified within the provisions of the collective agreement, as being subject to modification by local agreement, may be amended pursuant to agreement by the Local Chairperson of the Union and the local manager of the Company. Only those provisions specifically identified as being amendable by mutual agreement, may be amended pursuant to agreement by the senior National and /or the Regional (elected) representative of the Union and the Director of Trucking Operations CNTL.

No other modifications may be made except by concurrence of the Sr. Director Labour Relations and the President Unifor National Council 4000.

It is agreed that all local and mutual agreements must be in writing. Any such agreements not currently captured in writing shall become null and void thirty (30) days after ratification if they are not renewed in written form and countersigned by the appropriate representative of the Parties. Furthermore, any local or mutual agreement that does not contain a clear cancellation clause, shall be deemed to incorporate a thirty (30) day advance notice, cancellation clause.

Notwithstanding any other agreement to the contrary, it is agreed that any reinstatement of an Owner-Operator in settlement of a grievance or complaint, with or without conditions, must be in writing and approved and countersigned by the designated representative of the Union and the Director Trucking Operations CNTL. Failing their agreement and execution of the reinstatement agreement, it will be null and void. This provision will take effect immediately after ratification.

Yours truly,

Thomas Hennig

Director, Trucking Operations CNTL

I concur,

Dave Kissack

President, Unifor National Council

The Parties agree to the following revision to Appendix 21:

November 28, 2023

Each Owner-Operator may be granted four (4) one-week (7 calendar days) periods free from the dispatch obligations of the Standard Contract. These periods will be granted in seniority order within the terminal. The Owner-Operator is under no obligation to take such time but nonetheless is required to ensure his/her truck is roadworthy, at all times when required for service.

Terminal bids will be conducted in the first two (2) weeks of each year, and Owner-Operators, in seniority order will select from the available time periods available for such down time (as determined by the local Driver Manager) either a two (2), two-week period or four (4) one-week periods to be relieved form the dispatch obligations of the Standard Contract.

In addition, the Parties agree that the provision in Appendix 1, capping the number of sub-contracted moves will not exceed 10%, is amended to permit an increase to the cap for each Owner-Operator who utilizes the above scheduled maintenance time periods, on a one for one basis over and above 10%.

If this represents our agreement, please countersign below signifying your concurrence.

FOR THE COMPANY

Thomas Hennig

Director, Trucking Operations CNTL

FOR THE UNION

Dave Kissack

President, Unifor Council 4000

11 MM

The Parties agree to the following revision to Appendix 26:

November 28, 2023

An Owner-Operator may seek an extension to the fifteen (15th) year maximum truck age for up to an additional five (5), subject to satisfying the Company's inspection at the end of the fifteenth (15th) year, at the end of the sixteenth (16th) year, at the end of the seventeenth (17th)year, at the end of the eighteenth year (18th), and at the end of the nineteenth year (19th). The inspection must be conducted each year at an inspection center designated by the Company, mutually agreed to by the Parties.

In addition to the annual truck inspection, any fleet vehicle over fifteen (15) years truck age will be subject to semi-annual targets as follows:

Maintain at or above 6.5 miles per imperial gallon minimum standard per year and Idle time of one (1) hour or less per day

Or show a reduction of 5% idle time half-year over half-year until goal of one (1) hour is achieved.

If a truck extension does not meet these parameters, the Owner-Operator will be given one (1) additional half year to meet the requirements. Failing to do so the Owner-Operator will be required to produce a bill of sale on the purchase of a new truck within the following thirty (30) days.

The terms of this letter may be applied to Owner-Operators who renew their trucks in the 2023 calendar year, subject to review with the Company on a case-by-case basis.

The fuel tank faring package in the specification will be modified to allow a half-length fuel tank cover with an optional rubber bottom.

Owner-Operators may post a Union sticker (not larger than 6" x 6") on the cab of the tractor, below the door handle and in manner that does not obstruct in anyway the CNTL branding.

For the Company,

Thomas Hennig

Director, Trucking Operations, CNTL

For the Union,

Dave Kissack

President, Unifor National Council

This letter replaces Attachment M of the 2019 MOS

This letter shall not form part of the Collective Agreement

November 28, 2023

This confirms the Parties' agreement regarding a benefits package for the members of your bargaining unit.

The Union is currently soliciting quotes and will advise the Company of its desire to move forward once the Union has completed its market assessment.

The Union will hold the Company harmless for any and all obligations or expenses related to the review, establishment, and ongoing operation of the plan and it is understood and agreed that the Company's sole obligation is to administer the desired level of deductions from Owner-Operators compensation, and the remittance of the withheld monies to the selected benefits provider.

If this represents our agreement, please countersign below signifying your concurrence.

Yours truly,

Thomas Hennig

Director, Trucking Operations, CNTL

I Concur,

Dave Kissack

This letter replaces Attachment O of the 2019 MOS

This letter will not form part of the Collective Agreement

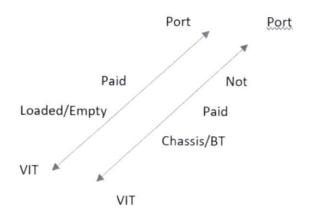
November 30, 2023

This confirms the Parties' discussion regarding Truck Licencing System (TLS) permits for access to the Port of Vancouver. Both Parties recognize the sensitively of the issue and its impact on many factors including: seniority, earnings potential and work-life balance.

All assignments in Vancouver will continue to be posted without a TLS qualification. If a driver is called for a move requiring a TLS permit but does not possess such a permit, they will be bypassed and given the next move that does not require a permit. It is understood that this will not constitute a grievable matter under the terms of the collective agreement.

As discussed and agreed, the company will assign one-way Port moves to CNTL Owner-Operators with TLS permits in Vancouver and these moves will be paid as one-way moves only. It is understood that the average CNTL payments include CNTL wait times and are no less than the rates as defined by the Port Commissioner.

Example:



As discussed and agreed, current round trip Port moves and Transload moves already handled by CNTL Owner-Operators with TLS permits in Vancouver will not be affected and will continue to be paid as is without any changes.

If this represents our agreement, please countersign below signifying your concurrence.

Yours truly,

James McKay

Senior Manager, Road Operations CNTL

4000

I Concur,

Baldev Sran (BV81)

Local Representative, Unifor National Council

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Letter of Agreement

CN TRANSPORTATION LTD. (CNTL)

AND

UNIFOR NATIONAL COUNCIL 4000

During collective bargaining on the renewal of the collective agreement between CNTL and Unifor, the Parties discussed the renewal of the September 9, 2022, Letter of Agreement concerning the amendment of the points system from 6 to 10 demerit points. The parties have agreed to extend this agreement and understandings beyond December 31, 2023 and to remain in effect for the life of the new collective agreement. The Parties therefore, continue to agree to the following:

- 1. The maximum demerit points before termination of a CNTL Owner-Operator will be increased from 6 points to 10 points;
- 2. The 110-speeding rule will increase to a fifteen (15) second duration;
- 3. RR284 speeding rule will remain as is;
- 4. Steeles Avenue Brampton speeding rule will increase to 80km for 10 second duration;
- 5. Speeding obtained by ISAAC in violation of the rules above will be assessed one (1) demerit for a first occurrence, one (1) demerit for a second occurrence, and two (2) demerits for a third occurrence and onwards. This paragraph that forms part of this agreement does not relinquish any rights of the Union to challenge any disciplinary measures assessed by CNTL that is associated to the ISAAC system on a go forward basis.
- 6. Past cases and grievances submitted under the previous six (6) demerit point system will remain using that system. However, the Union still maintains the right to advance those grievances to the next stage of the grievance procedure, including arbitration, and/or to file grievances for any incident that occurred prior to the date of signing this agreement under the previous point system.
- 7. This agreement is made without prejudice to either party and will remain in effect for the duration of the present collective agreement. The parties commit to discussing an extension to this agreement during the next round of collective bargaining.

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Signed this 28th day of November 2023 at Brampton Ontario.

For the Company

James McKay Senior Manager CNTL Road Operations For the Union

Prabhjot Sekhon Regional Representative

Unifor National Council 4000

16 WM

November 18, 2023

During the 2023 round of collective bargaining the union raised issues over Owner-Operators being denied letters validating the fact they are under contract with CNTL. As a result, the parties have agreed that upon request Owner-Operators will be provided with such letters in the following format.

For the Company:

Thomas Hennig

Director, Trucking Operations

For the Union:

Dave Kissack

President, Unifor National Council 4000



Canadian National Transportation Limited [ADDRESS] [DATE]

To Whom It May Concern:

Re: [Owner Operator, Contract Number, Company Name]

Please be advised that **[Owner Operator]**'s company, **[Company Name]**, at **[Address]** had a contract or drove under a contract with Canadian National Transportation Limited from [DATE] to [DATE].

Please feel free to contact the undersigned if you require anything further.

Thank you,

[NAME]

Driver Manager

November 28, 2023

During the course of the 2023 bargaining sessions, the Union brought forward concerns raised by its membership of CNTL sharing their personal information to third parties for business purposes.

The Parties recognize that the Company follows the Protection of Personal Information Policy in instances where there is a requirement to provide third parties with Owner-Operators' personal information.

As a result, the Parties have agreed that commencing immediately when the Company implements a new practice of sharing or requiring an Owner-Operator to share their personal information with a third party for legitimate business purposes, the Company will provide the Union's Regional Representative or their designate with a one-time notification of this new practice.

For the Company:

Thomas Hennig

Director, Trucking Operations

For the Unio

Dave Kissack

President, Unifor National Council 4000

November 28, 2023

The parties agree that following ratification, a meeting will take place within six (6) months where all Local Chairpersons from the Union and all Driver Managers from the Company will meet in Toronto to discuss the Demerit Point System. The intent of the meeting is to discuss consistent application of the Demerit Point System and what constitutes minor and major infractions.

If this represents our agreement, please countersign below signifying your concurrence.

Yours truly,

Thomas Hennig

Director, Trucking Operations CNTL

I Concur,

Unifor National Council 4000

19 WM

November 30, 2023

During the course of the 2023 bargaining sessions, the Union raised the issue of the Company utilizing data generated from the ISAAC system for disciplinary purposes. The Union also raised concerns over expansion of the scope of data generated for overly intrusive purposes not defined under the terms of the highway traffic act. While the parties recognized that in some instances the data generated from ISAAC could validate infractions such as speeding or improper logbook entries, the Company commits to the following:

- 1. In instances where an Owner-Operator believes there is a discrepancy in ISSAC data, they may request that the equipment be checked for calibration. In such circumstances, the Company will bear the costs.
- 2. Scorecard weekly averages generated by the ISAAC system will not be used for disciplinary purposes. However, there may be circumstances where they are utilized to counsel an owner-operator for areas of improvement.
- 3. Scorecards will be delivered to owner-operators via email and will not generate reminders or alerts while driving.
- 4. In order to protect owner-operators' privacy rights, information about drivers' performance efficiency will be shared only as group averages at the Terminal level, and not by individual averages.
- 5. This agreement is made without prejudice to either party and will remain in effect for the duration of the present Collective Agreement.

FOR THE COMPANY

Thomas Hennig

Director, Trucking Operations CNTL

FOR THE UNION

Dave Kissack

President, Unifor Council 4000

MM

December 1, 2023

During the course of the 2023 collective bargaining process, the Union brought forward concerns raised by its membership of work flowing to outside cartage, particularly TransX.

The Company confirmed that TransX and CNTL are businesses that operate independently of each other. Examples of CN's equipment being hauled by TransX are explained by the current excess capacity in the system. Wholesale partners including TransX lease CN equipment on a monthly basis and do not rebrand equipment for these short periods.

The Company also confirmed its commitment to the grievance resolution procedure as the appropriate avenue to resolve any instances where the Union believes the Company is not respecting the Collective Agreement.

Prior to filing a Step three (3) grievance over any alleged violation of the Collective Agreement involving work performed by TransX or any other carrier, the parties agree to meet on a monthly basis with the regional representative. Upon request CNTL will disclose the relevant information inclusive of waybills. Should it be determined that a violation of the Collective Agreement has occurred the parties will also meet in an attempt to resolve the issue prior to advancing the matter to arbitration.

For the Company:

Thomas Hennig

Director, Trucking Operations

For the Union:

Dave Kissack

President, Unifor National Council 4000

November 30, 2023

During the course of the 2023 bargaining sessions, the Company brought forward concerns about the frequency of use of replacement drivers, and their impact on safety.

The Parties agree that while there may be occasions when a replacement driver is necessary and permissible under the terms of the Standard Contract and Collective Agreement, the Owner-Operator should remain the principal driver of the tractor.

The Parties further agree that, in the event that an Owner-Operator is not the principal driver of their tractor, either party may bring the matter forward for discussion between the Director, Trucking Operations or their designate and the President of Unifor Council 4000 or their designate, who will meet to discuss the circumstances.

For the Company:

Thomas Hennig

Director, Trucking Operations CNTL

For the Union:

Dave Kissack

President, Unifor National Council 4000

Letter of Agreement

Barry Kennedy National Representative 10203 178 Street NW Edmonton, AB T5S 1M3 Alexandre Lamarre National Representative 565, boul. Crémazie Est, bureau 10100 Montréal, QC H2M 2W1

Dave Kissack President Unifor National Council 4000 202A - 275 Broadway Avenue Winnipeg, MB R3C 4M6

This shall not form part of the Collective Agreement

Dear Sirs,

RE: Memorandum of Agreement for the Expedited Mediation/Arbitration of Grievances

BETWEEN: Unifor National Council 4000 Canada (hereinafter referred to as the "Union") AND: CN Transportation Ltd. (hereinafter referred to as the "Company")

The Company and the Union (the "Parties") agree to the following rules and procedures for expedited settlements to grievances that reach the final settlement of disputes stage in the Parties' Collective Agreements. This Agreement and arrangements are to act as an alternative to the Canadian Railway Office of Arbitration and to ensure the orderly and timely resolution of outstanding grievances between the parties.

- 1. This "Memorandum of Agreement for the Expedited Mediation/Arbitration of Grievances" has been designed in good faith to operate as an efficient process to clear-up outstanding grievances between the Parties, specifically those filed at the last stage of the grievance procedure and the next step would enter the "final settlement of disputes" stage.
- 2. Prior to scheduling any disputes for Expedited Mediation/Arbitration Hearings (hereafter "Mediation/Arbitration"); the parties will review those cases to determine if they are suitable for this process. This process is intended for cases dealing with Owner-Operator discipline; time claim disputes; those matters respecting the meaning or alleged violation of any one or more provisions of a valid and subsisting Collective Agreement between the Parties; or pertinent legislation including any claims related to such provisions where the Union believes an Owner-Operator has been unjustly dealt with. It will exclude: any cases involving the discharge of an Owner-Operator, contracting out, work ownership matters and any other cases mutually agreed not be progressed to this forum.
- 3. The Parties agree to the use of a single mediator-arbitrator for this purpose whom will be appointed by the Parties to serve as the Designated Mediator-Arbitrator for the duration of each Collective Agreement. The Parties will also select an alternate Arbitrator or Mediator whom will replace the Designated Mediator-Arbitrator during an unexpected absence or in the event they will be unable to fulfill their role for duration of the Collective Agreements.
- 4. Before the Collective Agreements are renegotiated and the new agreements are ratified and come into effect, the parties may meet to consider other arbitrators or mediators for the purpose of this

MI S Memorandum of Agreement. If warranted, any proposed change to the Designated Mediator-Arbitrator will be discussed and finalized by the parties a minimum six (6) months in advance of the expiry of the Collective Agreements. Clause 2 of this Agreement will be applicable for any newly Designated Mediator-Arbitrators that are appointed.

- 5. Any and all fees charged by or costs incurred by the Designated Mediator-Arbitrator shall be shared equally between the Company and the Union.
- 6. Mediation/Arbitration will be held twice every calendar year during the third full-week of the months of March and September on either a Wednesday, Thursday or Friday, or as otherwise mutually arranged. Pursuant to Clause 2 of this Agreement, the parties will agree upon those grievances that will be scheduled for Mediation-Arbitration no later than the 15th day of the preceding month. This process will be scheduled and administered in conjunction with the Mediation/Arbitration process and schedule of the Unifor-CN Collective Agreement 5.1 and the 5.1 Supplemental Agreement.
- 7. All cases to be referred to Mediation/Arbitration are to be submitted to the Designated Mediator-Arbitrator in a maximum two-page Joint Statement between the parties. The Joint Statement shall contain a grievor's name along with their service and seniority date; the facts of the dispute; and reference to the specific provision or provisions of the collective agreement or pertinent legislation that is alleged to had been misinterpreted or violated. If the parties are unable to reach an agreement on a Joint Statement, then separate statements shall be submitted, limited to the same maximum two-pages.
- 8. The parties should be prepared at the hearing to provide the Designated Mediator-Arbitrator with a copy of the Union's grievances and the Company's replies, including any investigative statements and evidence should the Designated Mediator-Arbitrator request more detailed information before properly considering a decision.
- 9. As both Parties recognize that open and frank discussions will promote the resolution of grievances, the Parties can decide to conduct a System Joint Conference on all outstanding grievances that have been scheduled for Mediation/Arbitration. Each grievance will be examined in a final and honest attempt to resolve the dispute before the mediation-arbitration proceedings. Grievance time limits will be protected in order for the Parties to facilitate this process. Unresolved cases will then be referred to the Designated Mediator-Arbitrator.
- 10. The Designated Mediator-Arbitrator will hear predetermined cases in a Mediation-Arbitration format that will be presented in date order starting from the oldest to the most recent unless otherwise mutually agreed. The submissions of both Parties shall be limited to oral presentations of a maximum duration of 20 minutes, including any rebuttal, per each case and representation and arguments shall be restricted and limited to no more than two (2) spokespersons for the Union and two (2) spokespersons for the Company. Legal counsel is not permitted.
- 11. The Designated Mediator-Arbitrator may first attempt to mediate a settlement between the Parties. If no mediated settlement can be reached, the Designated Mediator-Arbitrator will then render a decision orally and, within thirty-days (30), issue a short award in writing that will be final and binding. Such decisions shall not in any case add to, subtract from, modify, rescind or disregard any provision of the applicable Collective Agreement.
- 12. All Expedited Mediation-Arbitration Awards issued by the Designated Mediator-Arbitrator will be numbered and considered without prejudice to either Party, shall not be construed as precedent setting

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and shall not be regarded as an admission of liability by either Party in the event of future cases of a like or similar nature. Notwithstanding, the Parties may later refer to these awards in a good faith effort to resolve a similar dispute within the grievance procedure; however, neither may rely on these awards in subsequent arguments before an Arbitrator at an arbitration hearing to support a claim that the issue had definitively been settled at Mediation/Arbitration.

- 13. The decisions of the Designated Mediator-Arbitrator shall not be subject to appeal by either the Company, the Union or the Owner-Operators involved.
- 14. This Expedited Mediation-Arbitration process will be conducted in accordance with the instructions of the Designated Mediator-Arbitrator, or as otherwise agreed to between the parties and the Designated Mediator-Arbitrator at the commencement of the proceedings.
- 15. The parties agree that the powers of the Designated Mediator-Arbitrator are restricted by and to these rules notwithstanding any other agreement to the contrary and shall not have the power to modify any of these rules without the written consent of the Parties.
- 16. In the event that the Parties encounter difficulties with implementing decisions of the Designated Mediator-Arbitrator, the Parties agree that the Designated Mediator-Arbitrator will remain seized of each of the cases that are presented at Mediation-Arbitration.
- 17. The Parties agree that at the conclusion of Mediation-Arbitration, and in keeping with the spirit and intent of this process as explained in Clause 1 of this Agreement, there should not be any outstanding grievances at the final stage of the grievance procedure.

Signed on this 1st day of December 2023.

FOR THE UNION:

Dave Kissack

President, Unifor Council 4000

FOR THE COMPANY:

Stephanie Hedley

Senior Director, Human Resources

November 16, 2023

This is in reference to discussion held during 2023 bargaining pertaining to introduction of Alternate fuel vehicles and how this could impact Owner-Operator.

In the event of the introduction of any initiative relative to Alternative fuel vehicles over the life of this Collective Agreement, the Director of CNTL and the President and Regional Representative of Unifor National Council4000 or their designates will meet and have further discussion on how to mitigate potential adversely impact on Owner-Operators.

For the Company:

Thomas Hennig

Director, Truck Operations CNTL

For the Union:

Dave Kissack

President, Unifor National Council 4000

November 17, 2023

During the 2023 contract negotiations the Union submitted a demand requesting that the company registers for the Canada Green Freight Program as to enable the Owner-Operators to access the provisions contained within the agreement. This letter serves to confirm that withing (30) thirty days of the ratification of the collective agreement CNTL will register for the program.

For the Company:

Thomas Hennig

Director, Trucking Operations CNTL

For the Union:

Dave Kissack

President, Unifor National Council 4000

January 11, 2024

During the course of the 2023 collective bargaining process, the Union brought forward concerns raised by its membership of excessive Terminal wait times across the network.

The Company confirmed that at some locations the average Terminal wait times have increased in recent months. A number of factors may have contributed to this, including but not limited to technological and operational changes. The Parties further agree that it is in the best interests of both the members and the Company to have Owner-Operators making productive moves as opposed to idling in a Terminal.

As the operation continues to evolve to meet changing business needs, the Company agrees that consultation will help minimize the negative impact on Owner-Operators. For this reason the Company agrees to share data about Terminal turn times upon request from the Regional Representative.

At the request of any Party there will be a meeting to discuss Terminal wait times, said meeting to involve the Regional Representative of Unifor National Council 4000, the Director of Trucking Operations of CNTL and the Director of Intermodal Operations of CN, or their respective designates.

For the Company:

Thomas Hennig

Director, Trucking Operations President,

For the Union:

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LETTER OF AGREEMENT

CN TRANSPORTATION LTD.(CNTL)

AND

UNIFOR NATIONAL COUNCIL 4000

Further to our discussions regarding Appendix K of the 2019 Memorandum of Settlement between CNTL and Unifor National Council 4000, the Parties agree that from a business, operational and environmental standpoint there are advantages to allowing a certain number of "day cab" type trucks in the CNTL fleet, in addition to the "tractor" type trucks referred to in the Collective Agreement and the Standard Contract.

It is understood that as long as this letter of agreement is in force, wherever the Collective Agreement and Standard Contract refer to a "highway tractor," "tractor," or "truck," these terms are inclusive of day cabs.

Forecasted Number of Day Cabs per Terminal:

The Parties recognize that the optimal number of day cabs is not absolute and can change with the requirements of the business on a location-by-location basis, while an Owner-Operator's decision to purchase a truck is a longer-term commitment.

For optimal planning and decision-making purposes, the Director of Trucking Operations at CNTL and the Regional Representative of Unifor National Council 4000 will meet annually to review the allowable forecast of day cabs per terminal. The annual allowable forecast for each terminal will be posted or communicated to all Owner-Operators in each terminal. The current allowable forecasts are set out at the end of this agreement.

Consent Process:

Consent to purchase a day cab will be awarded to active Owner-Operators by CNTL in seniority order. After the start time terminal bids are completed, a current listing of the number of days cabs will be completed at the local level and will be reviewed with the Driver Manager and the local Unifor Representative. If there are any opportunities for senior trucks to convert to a day cab, eligible Owner-Operators will be asked at this time if they wish to convert to a day cab. It is not mandatory to convert.

Any Owner-Operator with sufficient seniority to be eligible for a day cab whose tractor requires replacement during the life of the Collective Agreement may pre-reserve a spot on the terminal's overall day cab listing with the assumption being that they commit to transition to a day cab when purchasing a new tractor. No Owner-Operator already operating a day cab with consent will be required to relinquish their day cab as a result of a senior Owner-Operator exercising this right.

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Selling Day Cabs:

If an Owner-Operator who is in operation of a day cab is transitioning to retirement and they have been under contract with Canadian National Transportation Limited for a minimum of five (5) consecutive years, the day cab can be sold to another Owner-Operator based on their seniority, provided the truck meets all the current specifications to operate for CNTL.

Highway moves:

Day cabs are not exempt from completing highway moves. It is agreed that during the 'chain up season' that normally runs from October 1st to April 30th in the Western Provinces an Owner-Operator has the option to accept the highway dispatch moves. At all other times and in all other provinces the Owner-Operator will complete all dispatches regardless of their type of vehicle.

Allocation of Work:

Nothing in this agreement shall be construed as requiring an Owner-Operator to work in violation of the applicable federal or provincial regulations governing hours of work.

If an Owner-Operator runs out of legal hours to work which subsequently results in the need to acquire accommodations to layover, they shall be paid the all-inclusive amount referenced in Article 12.4 which will be considered taxable income.

Starting time blocks or permanent runs under Article 9.2 of the Collective Agreement that require a day cab will be awarded on a "senior may, junior must" basis. Notwithstanding the provisions of Article 9.2, if any workforce adjustments are required under Appendix 1 they will be done in seniority order irrespective of the truck type.

Acknowledgement:

Upon CNTL providing consent to an Owner-Operator to purchase a day cab the Owner-Operator must sign a copy of this agreement accepting the provisions and restrictions listed herein as a legally binding contractual obligation. In addition, the document must also contain the signatures of the Driver Manager and the Regional Representative of Unifor to be considered valid and binding. All Parties to each individually signed agreement will be provided with copies. Any Owner-Operator operating a day cab at the time this agreement is first signed will be required to sign a copy of the document or they will forfeit their rights to maintain their day cab service.

Dispute Resolution Mechanism:

Consent for the purchase of a day cab will not be unreasonably withheld by either party to this agreement. Should a dispute arise, the matter will be forwarded to the Director of Trucking Operations for CNTL and the President of Unifor National Council 4000 for final decision.

Duration and Cancellation:

This Letter of Agreement is made without precedent or prejudice to either Party. It will remain in force for the life of the current Collective Agreement unless either Party notifies the other in writing of

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cancellation with a minimum of sixty (60) days' notice. In the event of cancellation of this agreement, Owner-Operators who purchased or converted to day cabs under this agreement or prior to it will be permitted to continue to operate their day cabs until they need replacing, as long as they meet all other requirements of CNTL. Notwithstanding the cancellation clause, should this agreement be cancelled the lodging allowance will remain in effect for the life of the collective agreement.

Signed on this day January 8, 2024

Yours Truly

Thomas Hennig

Director of Trucking Operations

CNTL

I Concur

Dave Kissack

President

Current Allowable Forecast of Day Cabs

Halifax - 25%

Moncton - 25%

Montreal - 40%

Toronto - 50%

Winnipeg - 25%

Regina - 25%

Saskatoon - 25%

Edmonton - 25%

Calgary - 25%

Vancouver - 25%

Signed on this day January 8, 2024

Yours Truly

Thomas Hennig

Director of Trucking Operations

CNTL

I Concur

Dave Kissack

President

January 11, 2024

During the 2023 round of collective bargaining the Union raised concerns regarding specific issues in the Montreal terminal. The principal areas of concern revolved around dispatch issues, inconsistent rates in the Schedule B and inaccurate mileage which may not be consistent with the mileages identified under the PC Miler "Most Practical Route Version 31".

The Parties agree to provide remedy retroactive to January 1, 2024, in instances where Owner-Operators have been inaccurately paid as a result of the incorrect zone rates.

The Parties mutually recognize the excessive time constraints to both the Owner-Operators and the operation when trucks are dispatched from zones 22,23,24,25, and 33 to zones 20 and 21 (North Shore to South Shore) and zone move 26-22 will therefore moving forward will not assign dispatch to owner operators to these zones from the forestated zones.

Additionally, zone rate errors in the Schedule B for the Montreal Terminal were identified in the following zones and the parties have therefore agreed to change the rates for the following zones-to be consistent in both directions:

Zone	Current Rate	Adjusted Rate
28-14	\$46.16	\$80.09
28-10	\$42.72	\$46.72
28-19	\$75.94	\$88.90
28-20	\$59.90	\$76.08
28-30	\$74.80	\$85.60
28-32	\$64.50	\$73.61

The Parties also agree to perform an entire review of all highway mileage in Montreal and where necessary make changes to ensure the mileages accurately reflect and are consistent with those identified in the PC Miler Most Practical Route Version 31. Such a review will take place within ninety (90) days of ratification of the memorandum of settlement.

Yours Truly,

Senior Manager, Road Operations

I Concur.

Dave Kissack

January 12, 2024

During the course of 2023 collective bargaining the Parties discussed the need to review the short highway cut-off across the network.

The Parties agree that the Director, Trucking Operations, CNTL and the Regional Representative of Unifor National Council 4000 will conduct joint reviews, with the participation of each Local Representative, to identify where it is practicable to extend the cutoff to 104 miles from the current 70. No changes will be made without the express agreement of both Parties.

Said reviews will be conducted during the closed of period of the current Collective Agreement.

Yours Truly,

Thomas Hennig

Director, Trucking Operations, CNTL

I Concur,

David Kissack

President, Unifor National Council 4000

January 12, 2024

This is in response to our discussions regarding DEF (Diesel Exhaust Fluid).

The Parties agree the Company will allow the Owner-Operators to purchase DEF with their Company issued fuel cards and then have those DEF purchase amounts deducted from the Owner-Operators semi-monthly compensation.

The Parties agree that once a spend trend has been established (most likely in Year 2 or 3), the Company will attempt to negotiate a price reduction for DEF with the fuel suppliers.

If this represents our agreement, please countersign below signifying your concurrence.

Yours truly,

Thomas Hennig

Director, Trucking Operations CNTL

I Concur,

Dave Kissack

Attachment F:

This letter will not form part of the Collective Agreement

September 12, 2019

This is in reference to the allegations that Owner-Operators may have been asked to perform, or felt pressure to perform, work that is contrary to provincial or federal laws, statutes or regulations (for example overweight loads, hours of service limitations or others).

CNTL adamantly denied such allegations, but to ensure there is no confusion, this letter will confirm that if any Owner-Operator feels he/she is being asked to perform any work in contravention of any federal or provincial law, statutes, or regulation, he/she should immediately contact the Driver Manager and advise him/her of their concerns. The Driver Manager will, where necessary, intervene to ensure compliance.

CNTL is committed to ensuring all our partners operate safely and in compliance with all legal and regulatory standards, at all times.

A copy of this letter will be provided to all Driver Managers and the Dispatch staff to ensure a

I trust this addresses your concerns.

Yours truly,

Thomas Hennig

Director, Trucking Operations CNTL

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Attachment I:

This letter will not form part of the Collective Agreement

September 12, 2019

This is in response to the concerns raised by the Union pertaining to the potential benefits and cost savings from a joint attempt to negotiate a fleet rate with Michelin, Bridgestone, Goodyear, BFGoodrich, Firestone, General Tire, or other suppliers of essential consumables, as well as manufacturers of trucks.

The Company agrees to the Union's suggestion that we work together, using the brand recognition both parties bring, in an attempt to achieve rebates or price reductions from major suppliers, for the benefit of the Owner-Operators.

Within sixty (60) days of ratification, the Union and the Company will each designate two (2) representatives to investigate the opportunities available, commencing with Michelin.

This Committee will meet up to three (3) times per year upon request, to study identified opportunities, reach out to prospective suppliers, and where successful, report back to the Director, Truck Operations CNTL and the Regional Representative of the Union on their findings.

If this represents our agreement, please countersign below signifying your concurrence,

Yours truly,

Thomas Hennig

Director, Trucking Operations CNTL

I Concur.

Unifor National Council 4000

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Attachment L:

This letter will not form part of the Collective Agreement

September 12, 2019

This will confirm that if an Owner-Operator is requested by dispatch to specifically use toll Highway 407, the Owner-Operator will be fully reimbursed for all charges related to that specific

In the event of a disagreement, the matter shall be referred immediately to the Senior Manager

I trust this addresses your concerns.

Yours truly.

Thomas Hennig

Director, Trucking Operations CNTL

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Attachment Q:

This letter will not form part of the Collective Agreement

September 12, 2019

This is in response to your concerns raised regarding the hiring and onboarding of replacement drivers. While we agree that the Owner-Operator should be the primary driver of the tractor, there may be occasions when a replacement driver is necessary and permissible under the terms of the Standard Contract. It is agreed that an Owner-Operator shall not personally work for CP or its partners at any time when his/her tractor is being operated by a replacement driver, and by doing so, would be in violation of the Standard Contract.

The Company reiterates its commitment to try to ensure that the hiring and onboarding of qualified replacement drivers is managed as expeditiously as possible. That said, the Company recognizes that there are instances where the process has been hindered due to delays in obtaining information necessary for the approval process of a replacement driver, attributable to the Owner-Operator or the prospective replacement driver himself/herself.

The Company shall endeavor to implement measures aimed at expediting the approval of replacement drivers once all necessary information has been provided. Both Parties acknowledge there is also an opportunity for the Union to educate Owner-Operators and prospective replacement drivers regarding the approval process and the need to act promptly in acquiring and providing all necessary information to the Company, so that we may be able to review and validate all pertinent documentation, as quickly as possible.

I trust this addresses your concerns.

Yours truly.

Thomas Hennig

Director, Trucking Operations CNTL

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Attachment R:

This letter will not form part of the Collective Agreement

September 12, 2019

This confirms the Parties' discussion regarding the use of a CNTL branded tractor in a public event or parade.

The Owner-Operator must seek prior written consent from the Driver Manager, to facilitate the review of the request. The Owner-Operator shall submit all information at least 30 days in advance of the event, describing the event, the name of the event, the main sponsor of the event, information about the sponsor's participation and a detailed description of the flatbed and/or float that will be pulled by the CNTL tractor. Any unauthorized participation shall result in the immediate termination of the standard contract.

If this represents our agreement, please countersign below signifying your concurrence.

Yours truly.

Thomas Hennig

Director, Trucking Operations CNTL

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Unifor National Council 4000

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Attachment T:

This letter will not form part of the Collective Agreement

September 12, 2019

This is in response to the discussions relating to competent impartial investigation of harassment and/or workplace violence complaints under CNTL's policy. Given the nature of the operation, it is hereby agreed that a qualified, competent investigator from the parent Company's HR department is deemed to satisfy both the qualifications and impartiality requirements of the Policy and the Code.

If this represents our agreement, please countersign below signifying your concurrence.

Yours truly

Thomas Hennig

Director, Trucking Operations CNTL

I Concur.

Unifor National Council 4000

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Attachment Z:

This letter will not form part of the Collective Agreement

September 12, 2019

Dear Mr Kissack,

This is with regards to your concerns with respect to moves within a designated logistics park between multiple customers at the same civic address therein.

To allay your concerns, this is to confirm that, should an Owner-Operator be required to undertake assigned moves amongst multiple customers at the same civic address within one logistics park, the second and subsequent moves will be treated as an interzone move.

If this represents our agreement, please signify your concurrence by countersigning below.

Yours truly,

Thomas Hennig

Director, Trucking Operations CNTL

I Concur,

Unifor National Council 4000

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Thomas Hennig

Director CNTL

Brampton Ontario

Mr Hennig

It has been brought to the unions attention that the company has been assigning duties and responsibilities to owner operators outside of the scope of the current collective agreement and in contradiction to the provisions of Appendix 4 of the collective agreement. Such duties encompass but are not limited to attending drivers' meetings, shunting duties (not identified in Appendix 4) chassis maintenance, installing, and removing dangerous good placards and load securement (ie affixing load bars and wrapping and unloading skids). This letter serves as an estopple notice to the cease these practices whereas going forward such duties will not be performed by CNTL owner operators unless recognized under an expansion of duties agreement consistent with Appendix 4 with rates and working conditions included. Such agreement must be in writing with the consent of the President of Unifor National Council 4000.

Regards

Dave Kissack

President

Unifor National Council 4000

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