

COLLECTIVE AGREEMENT

Between

GREAT SANDHILLS RAILWAY LTD. (GSR)

And

TEAMSTERS CANADA RAIL CONFERENCE
(TCRC)

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COLLECTIVE AGREEMENT PREAMBLE

The following Collective Agreement ("Agreement") between the Great Sandhills Railway Ltd. Company ("GSR") and the Teamsters Canada Rail Conference ("TCRC") (the labor organizations may, from time to time, be referred to as the "Union") recognizes the unique principles and conditions existing within the short line railroad industry that are not applicable to the major railroads.

GSR and the Union and the employees further recognize that they have a common interest in the railroad industry. Therefore, a working system of harmonious relationships is necessary to maintain rapport among these parties and with customers, the public, and other stakeholders. All concerned will benefit by continued peaceful and harmonious relationships, and any differences must be settled through rational common-sense methods. The basis for the relationship between GSR and the Union is one of cooperation for the benefit of all stakeholders in this Agreement as well as the customers and other stakeholders in the business of GSR.

In order to successfully promote these concepts, the parties have agreed to recognize and make provisions for an orderly system of collective bargaining relations between GSR and the Union, the prompt and orderly resolution of grievances, the efficient operation of GSR's business without interruptions or interference with work, the provision of fair salaries, hours, and working conditions for the employees, and the provision of the highest quality service to GSR's customers in the most efficient manner possible. GSR recognizes that the Union is the sole and exclusive bargaining agent for all employees covered under the bargaining certificates issued to the Union by the Canada Industrial Relations Board.

ARTICLE 1 - DEFINITIONS

- 1.1 The term "Unions or Union" shall mean the duly elected or appointed officers of the TCRC.
- 1.2 The term "representative of the employee" or "employee's representative" shall mean the duly accredited representative designated by the Union.
- 1.3 The term "GSR" shall mean the Great Sandhills Railway Ltd.
- 1.4 The term "emergency" shall include but not be limited to the following: accident to machinery, equipment, plant or persons, urgent and essential work to be done to machinery, equipment or plant; or other unforeseen or unpreventable circumstances.
- 1.5 The term "Vacancy Relief Personnel" shall mean a person used by GSR to fill a temporary vacancy.
- 1.6 In this Agreement, words importing the singular shall include the plural and vice versa where the context requires. The use of such words as "he", "his", and "him" as they may appear in the Agreement are not intended to restrict the application of the Agreement or a particular rule to a particular gender but are used solely for the purpose of grammatical convenience and clarity. Accordingly, words importing the masculine gender shall include the feminine gender where the context requires.
- 1.7 The definition of a regular day is eight (8) hours in all cases unless the schedule is modified to ten (10) hour days as per the language of Article 20 regarding the employee in question. If this is the case, then a regular day shall be regarded as ten (10) hours.

ARTICLE 2 - RECOGNITION

GSR recognizes the TCRC as the bargaining agent for those employees covered under their bargaining certificate, which includes the following job classifications: (a) Locomotive Engineer (b) Conductor

ARTICLE 3 - MANAGEMENT RIGHTS

- 3.1 It is recognized that the management of the business is vested in GSR, whose discretion and judgment shall control as to the operations of the company, the selection and retention of employees, the work and duties to which employees are assigned, and the right to hire, transfer, promote, demote, suspend and discharge for cause, so long as the rights granted in this Article are not in violation of the provisions of this Agreement or any applicable federal or provincial laws.
- 3.2 GSR management shall be permitted to perform work normally performed by an employee covered in this agreement in the event that no such employee is available to perform such work, provided that all possible avenues to contact and utilize a covered employee have been exhausted, or in the event of work of an urgent/emergency nature, or work that is the result of an accident/incident.
- 3.3 Notwithstanding anything to the contrary in this Agreement, nothing shall preclude or limit the type of work that an employee may be asked to perform.

ARTICLE 4 - TERM OF AGREEMENT

- 4.1 This Agreement shall become effective on January 1, 2017 and shall continue in effect until December 31, 2021. (Thereafter, this Agreement shall continue in effect from year to year unless either party gives notice to the other of its' desire to revise or supersede this Agreement such notice to be given not less than one hundred twenty (120) days prior to the date upon which this Agreement would otherwise expire or terminate).
- 4.2 The provisions of Article 4.1 shall not be construed to constrain the parties to this Agreement from making any changes to or from adding to the scope or application of or from extending the provisions of this Agreement during the term of this Agreement that are mutually acceptable.
- 4.3 Rules necessary to meet local conditions may be negotiated and made effective, subject in each case to the approval of the General Manager of GSR and of the Union, and subject further to either party having the right to cancel the rule on thirty (30) day's written notice.

ARTICLE 5 - NO STRIKES OR LOCK OUTS

GSR shall not lock out any employee covered by this Agreement and the Union shall not authorize or take part in any work stoppage, slowdown, strike or picketing of GSR during the life of this Agreement. GSR reserves the right to discipline, including the right to terminate the employment of, any employees taking part in any violation of this provision of the Agreement.

ARTICLE 6 - SENIORITY

- 6.1 Service shall mean an employee's length of continuous service with GSR. An employee shall maintain and accumulate seniority while he is in the full-time employ of GSR from the first day of his employment with GSR. Unless otherwise specifically expressed, seniority shall be applied on a classification basis.
- 6.2 The seniority rights of each employee shall start from the date he begins his first tour of duty as an employee of GSR. Where two or more employees begin work on the same day, they shall be ranked for seniority purposes in the order of their service date and if that is the same, the time their employment application is time stamped by GSR.
- 6.3 A newly hired employee shall serve a probationary period of one hundred eighty (180) calendar days. During a newly hired employee's probationary period, GSR may terminate the employment relationship at any time and for any non-discriminatory cause. It will be the responsibility of the GSR to notify all employees, in writing and upon hiring, whether they are classified as a regular employee, or Vacancy Relief Personnel.
- 6.4 (a) Employees shall, unless otherwise provided in this Agreement or by agreement between GSR and the Unions, hold and accumulate seniority in each classification as defined in Article 2.
- (b) GSR shall maintain a separate seniority list showing the established seniority date of each employee and supply a copy to the Union representatives. Once qualified, employees will be placed on the Locomotive Engineer seniority list in the same order as they appear on the Conductor seniority list.
- (c) In filling a vacancy GSR shall fill the vacancy in accordance with Article 15.2. If GSR is unable to fill the vacancy from the regular seniority list, it will offer the vacancy to the first out qualified person on the Vacancy Relief Personnel seniority list provided for in Section 6.10 below.
- (d) The employee making application for the advertised vacancy must be able to meet the qualifications of the job or reasonably be expected to qualify for the position claimed and pass any required examinations for the job.

An advertisement for a job vacancy will include a job description and the qualifications for the job. In accordance with bulletins advertising a training opportunity for any of the respective crafts, the senior applicant will be awarded the training opportunity. If a position is not filled from within the company as provided in this Article 6.4, GSR may externally advertise the position.

- (e) If an employee is unable to meet the required qualification to perform the job or pass any required examination for the job, after being given a reasonable period of time to qualify as defined in the training program, he will be returned to his former position.
- (f) If an employee accepts the position and then refuses to fulfill the requirements of qualifying for the position or withdraws his acceptance prior to meeting said qualifications, shall be returned to his former position and be restricted from making application for the same position for one year.

- (g) An employee who fails in his first attempt to the position or classification for which he took training will be given a second opportunity within a reasonable period of time, not to exceed one year, in which to qualify or meet the required qualifications of the position for which training was provided or pass any required examination for the job.
 - (h) Any employee who twice fails to meet the required qualifications or pass the required examinations for the job or if the employee accepts the position and then refuses to fulfill the requirements of qualifying for the position or withdraws his acceptance prior to meeting said qualifications, will only be considered for further training at his own expense and his own time. Such employee requesting further training must apply in writing to his supervisor requesting the opportunity. If accepted for subsequent training after failing twice, the employee's seniority in the new position shall begin accruing on the date of supervisor approval for said training.
- 6.5 In cases of layoff, junior employees shall be demoted or furloughed in reverse order of seniority, respecting their job qualifications as defined in Article 2. GSR shall make an effort to provide employees with as much notice as possible of lay-off but in any event, the respective Union and the affected employee(s) shall be advised at least ten (10) working days in advance of the date the layoff shall commence or pay in lieu of notice. Employees will be recalled to service in seniority order as required, within their classification, and will retain their original seniority date and standing provided they report for duty within fourteen (14) days from the date they receive notice of recall. Seniority shall accrue during periods of vacation, leave of absence, and layoff.
- 6.6 Seniority shall not be forfeited except in cases of death, retirement, resignation from GSR, discharge, violation of Article 8.2 or failure to accept or respond to recall as provided in Article 6.9. An employee who is discharged and subsequently reinstated may, by virtue of a mutual agreement between the Union and GSR or as a result of an Arbitrator's decision be placed on the seniority list consistent with his seniority date prior to the discharge.
- 6.7 GSR shall provide and maintain separate classification seniority rosters for its employees. The rosters shall be published once a year on January 1 and GSR shall provide a copy of the rosters to the Union. The rosters shall be held open for a period of thirty (30) days to allow an employee, through his Union, the opportunity to appeal his position on the roster(s) in writing to GSR. For employees on leave of absence, annual vacation, layoff or absent due to illness or injury, the thirty (30) days shall begin on the date the employee returns to active service. Once the roster is unchallenged for thirty (30) days, it may not be changed thereafter except by mutual agreement between the Union and GSR except in cases where the employee's name is removed or slotted incorrectly for other than the above excepted reasons as set forth in Article 6.6.
- 6.8 GSR shall recall employees by written notice sent to the employee by registered mail at his last known address or hand delivered to him. It shall be the responsibility of the employee to provide GSR his current address in writing. An employee must both notify GSR of his intent to return to work within ten (10) days of receiving the written notice and present himself for work within fourteen (14) days of receipt of the written notice.
- 6.9 Subject to the availability of junior employees, an employee may waive recall without the loss of seniority, for vacancies with an expected duration of less than ninety (90) calendar days.

- 6.10 (a) When a Vacancy Relief Personnel employee completes sixty (60) tours of duty. GSR shall place a Vacancy Relief Personnel employee on the Vacancy Relief Personnel seniority list. GSR will place the Vacancy Relief Personnel employees on this list in the order of their completion date of the sixty (60) tours of duty.
- (b) Thereafter, when Vacancy Relief Personnel (herein after known as VRP) are required for vacancy relief, GSR shall call all VRP in first-in, first-out order for all vacancies as described in Article 15. For clarification, a crew tying-up at the home terminal will dictate the completion of a tour of duty.
- (c) Should the first-out qualified VRP not respond to, or is unavailable for call, GSR will call the next qualified VRP in turn order. The VRP(s) not responding to a call will drop to the foot of their respective board immediately.
- (d) In the event the senior-most person is entitled to be called for both the Conductor and the Locomotive Engineer positions, GSR will give that person the choice of which position he wishes to work unless the next most senior available person is not qualified to perform the position not chosen. In such case, GSR shall assign the senior-most person to the position for which the next senior-most person is not qualified but will pay him at the higher rated position.
- (e) Vacancy Relief Personnel will not be placed on the seniority list and shall not be considered employees for purposes of this Collective Agreement. While recognizing the Vacancy Relief Personnel are not employees for the purpose of this agreement, it is understood between the parties that they shall be compensated no less for time worked than employees covered by this agreement.
- (f) Vacancy Relief Personnel who are not on the Vacancy Relief Personnel seniority list and awarded a permanent position shall be placed on the GSR regular seniority lists based on their first tour of duty.

ARTICLE 7 - GRIEVANCE AND ARBITRATION PROCEDURE

7.1 Wage claim not allowed

A wage claim not allowed will be promptly returned and the employee advised the reason therefore. If not returned to the employee within 30 calendar days, the claim will be paid.

When a portion of a claim is not allowed the employee will be promptly notified and the reason given, the undisputed portion to be paid on the current payroll.

7.2 Grievance concerning wage claims or alleged violations of the collective agreement. A grievance concerning the meaning or alleged violation of any one or more of the provisions of this Collective Agreement shall be processed in the following manner:

Step 1 - Presentation of Grievance to the Designated Supervisor

Within 60 calendar days from the date of the cause of grievance the employee may present the grievance in writing to the designated Company Officer who will give a decision in writing as soon as possible but in any case within 60 calendar days of date of the appeal, or this Step may be bypassed by forwarding the grievance to the Local Chairman who may initiate the grievance at Step 2.

Step 2 - Appeal to the Designated Company Officer

If a grievance has been handled at Step 1, within 60 calendar days from the date decision was rendered under Step 1 the Local Chairman may appeal the decision in writing to the designated Company Officer.

If Step 1 has been bypassed then, within 60 calendar days of the date of the cause of grievance, the Local Chairman may present the grievance in writing to the designated Company Officer who will give a decision in writing as soon as possible but in any case within 60 calendar days of date of the appeal.

The appeal shall include a written statement of the grievance along with an identification of the specific provision or provisions of the Collective Agreement, which are alleged to have been misinterpreted or violated.

Step 3 - Appeal to General Manager

Within 60 calendar days from the date decision was rendered under Step 2, the General Chairman may appeal the decision in writing to the General Manager, whose decision will be rendered in writing within 60 calendar days of the date of appeal.

The decision of the General Manager shall be final and binding unless within 60 calendar days from the date of his decision proceedings are instituted to submit the grievance to the Canadian Railway Office of Arbitration and Dispute Resolution for final and binding settlement without stoppage of work,

7.3 Appeal against discipline imposed

An appeal against discipline imposed shall be processed in the following manner:

Step 1 - Appeal to the Designated Company Officer

Within 60 calendar days from the date the employee is notified of discipline assessed the employee and/or Local Chairman may appeal the discipline in writing to the designated Company Officer.

The appeal shall include a written statement of the employee's and/or the Union's contention as to why the discipline should be reduced or removed.

A decision will be rendered in writing within 60 calendar days of the date of the appeal.

Step 2 - Appeal to General Manager within 60 calendar days from the date decision was rendered under Step 1, the General Chairman may appeal the decision in writing to the General Manager, whose decision will be rendered in writing within 60 calendar days of the date of the appeal. The decision of the General Manager shall be final and binding unless within 60 calendar days from the date of his decision proceedings are instituted to submit the grievance to the Canadian Railway Office of Arbitration and Dispute Resolution for final and binding settlement without stoppage of work, except that an appeal against the dismissal of an employee which does not involve a claim for payment for time lost, may be submitted to the Canadian Railway Office of Arbitration and Dispute Resolution at any time within 2 years from the date of dismissal.

- 7.4 Any grievance not progressed by the Union within the prescribed time limits shall be considered invalid and shall not be subject to further appeal. Where a decision on a grievance concerning the meaning or alleged violation of any one or more of the provisions of the Collective Agreement and in which a wage claim is involved, is not rendered by the appropriate officer of the Company within the prescribed time limits, the claim shall be allowed as presented but this shall not be considered as a precedent or waiver of the contention of the Company as to similar claims. Where a decision on an appeal against discipline imposed is not rendered by the appropriate officer of the Company within the prescribed time limits, the grievance may be progressed to the next step of the grievance procedure.
- 7.5 The time limits specified in this Article may be extended by mutual agreement.

ARTICLE 8 - LEAVES OF ABSENCE

- 8.1 An employee may be granted a leave of absence without pay of up to ninety (90) days upon approval and at the discretion of GSR. The period of leave may be extended at the discretion of GSR. An employee granted such a leave shall sign a copy of a written authorization of leave.
- 8.2 An employee on leave of absence from GSR may not work for another company unless the Union and GSR mutually agree to allow the employee to work for another company. Any employee who engages in such other employment without the consent of the Union and GSR shall be considered terminated.
- 8.3 GSR shall grant a leave of absence without pay to any employee elected or appointed to a Union office or as a General or Local Chairman or as a delegate to any Union activity for the term of the office or until completing the activity, unless the activity unduly interferes with the operations of GSR.

ARTICLE 9 - VACATION

- 9.1 Employees who qualify will receive paid vacation time on the following schedule according to their GSR service:

After one (1) year of service	Three (3) weeks at six percent (6%) of the previous year's earnings
After four (4) years of service	Four (4) weeks at eight percent (8%) of the previous year's earnings
After fourteen (14) years of service	Five (5) weeks at ten percent (10%) of the previous year's earnings
After twenty-five (25) years of service	Six (6) weeks at twelve (12%) of the previous year's earnings

GSR shall pay the Vacancy Relief Personnel employees an additional four percent (4%) of their earnings in lieu of vacation pay on each paycheck.

The above schedule shall apply to all otherwise qualified employees except and unless that employee has been unable to work in the previous year for a period of one (1) month or more due solely to illness or injury, in which case that employee shall receive paid vacation time at their regular rate of wages for their regularly scheduled hours, or at the rate as calculated above, whichever is greater.

Vacation time shall not be accumulated from one year to the next. GSR, in its discretion, may allow an employee to carry over his vacation to the next year in circumstances where, due to illness or injury, the employee has not been reasonably able to take his vacation in the year it became available. There will be no pay for vacation instead of time off, unless GSR cannot grant the employee his vacation during the calendar year.

- 9.2 To be counted as a year of service, an employee must have been continuously employed for a period of twelve (12) consecutive months. Time off for union business, time off duty on account of an authorized layoff, bona fide illness, injury, and vacation days shall count as continuous service for the purposes of this Article. An employee with less than twelve (12) continuous months of service with GSR shall receive vacation pay in an amount equal to six percent (6%) of his total earnings. An employee who is hired pursuant to Article 14.1 and who has performed service in only a portion of a month and is laid off shall have that portion of the month counted as a full month of continuous employment for purposes of this Article.

- 9.3 Vacation requests must be submitted in writing to the General Manager between December 1 and December 15 of each year. GSR will respond by no later than January 15 of each year. Those employees with the greater amount of GSR service will have priority if duplicate requests for the same vacation times are received. When submitting requests, employees should include a sufficient number of choices in case of duplicate requests.

Vacancy Relief Personnel will submit their yearly leave requests in conjunction with the same dates identified above and will be awarded their yearly leave requests following all permanent employees annual vacation bids being filled. No more than one Vacancy Relief Personnel will be permitted to take yearly leave in the same week and in the same zone unless approved by the GSR.

- 9.4 With the exception of floating vacation days, all vacations will commence on a Monday and continue as consecutive weeks), except for employees who have days off other than Saturday or Sunday in which circumstances their vacation would commence upon completion of the last day of work in their work week. Employees entitled to two (2) or more weeks of vacation may split their vacation into not less than one (1) week segments. Employees shall be allowed to take up to five (5) of his vacation days as floating vacation days during the year so long as GSR approves in advance of the day to be taken. At the discretion of the GSR the day or days may or may not be added to regularly scheduled vacations.

- 9.5 GSR reserves the right to grant or deny vacation request choices based on the needs of its operations. The maximum number of employees who may be on vacation at one time shall be limited to no more than ten percent (10%) of the number of employees in a classification. In its discretion, GSR may allow additional employees in a classification to be on vacation at the same time. Except in an emergency, once a vacation request is granted, the employee shall be allowed to take the assigned time. If the vacation must be rescheduled due to an emergency, the employee and GSR shall mutually agree to the rescheduled time. If the employee's vacation is rescheduled by GSR due to an emergency and the employee has prepaid for the vacation and cannot obtain a refund and/or cannot use the prepaid vacation at a later date, GSR shall reimburse the employee for out of pocket costs.

- 9.6 If any of the general holidays listed in Article 10.1 occur during an employee's vacation or rest day, the employee may either be given a day of holiday pay in addition to his vacation pay or an additional day off at the end of his vacation and the holiday pay at his choice. The employee must notify GSR in advance of taking his vacation of which option he will choose.
- 9.7 If an employee ceases to be employed, GSR shall pay to the employee any vacation pay then owing by GSR to the employee. In these circumstances vacation pay shall be calculated at the rate of two percent (2%) per week of vacation to which the employee's service entitles him, multiplied by the regular wages of the employee for the period of service for which the employee has not already received vacation. Any accrued vacation pay in a year shall be paid to the estate of an employee who dies while in the employ of GSR.

ARTICLE 10 - GENERAL HOLIDAYS

- 10.1 GSR recognizes the following days as paid holidays as General Holidays: New Year's Day, Family Day (as designated by the Saskatchewan and Alberta Government), Labor Day, Good Friday, Victoria Day, Canada Day, Thanksgiving Day, Remembrance Day, Christmas Day, Civic Holiday, and Boxing Day.
- 10.2 In addition to the General Holidays, each employee shall be entitled to two (2) floating holidays per year upon completion of one (1) calendar year of employment with GSR. Floating holidays will be scheduled when mutually agreed upon between the employee and GSR, taking into account operational considerations. The floating holiday is without compensation but will not reduce the full two-week pay period guarantee as per Article 20.1.
- 10.3 An employee or Vacancy Relief Personnel person working a vacancy under the terms of Article 15.1 or 15.4 who is not required to work on a General Holiday shall be paid at the equivalent of the wages he would have earned at his regular rate of wages for his normal hours of work pursuant to the provisions of Part III of the Canada Labor Code. An employee or Vacancy Relief Personnel entitled to wages for at least 12 hours of duty during the 30 calendar days immediately preceding the General Holiday shall also be entitled to payment for the General Holiday. When a General Holiday falls on an employee's rest day, such holiday will either be moved to the normal working day immediately following the employee's rest day or to such other time the employee and GSR agree.
- 10.4 GSR will give an employee three (3) days' notice if it requires an employee to work on a General Holiday, except in an emergency. Anyone required to work on a General Holiday will be paid at one and one-half (1 1/2) times his regular rate of wages for the time worked on that day in addition to his regular rate of wages for that day pursuant to the provisions of Part III of the Canada Labor Code.
- 10.5 All extra work on a General Holiday will be offered to available, regularly assigned employees on a seniority basis. If no such employee is available for the extra work or if an insufficient number is available for the extra work, GSR may offer Vacancy Relief Personnel such extra work.

ARTICLE 11 - BEREAVEMENT LEAVE

- 11.1 Bereavement leave is designed to allow an employee time off when a death occurs in the immediate family. An employee will be given a leave of five (5) working days with pay calculated at his regular rate of wages for his regular tour of duty for bereavement in the event of the death of his spouse, parents, child, parents-in-law or siblings, three (3) working days with pay calculated at his regular rate of wages for his regular tour of duty for bereavement in the event of the death of any other immediate family member as defined in Article 11.2 and one (1) day with pay calculated at his regular rate of wages for his regular tour of duty in order to attend the funeral or memorial service of a fellow employee. A leave for bereavement shall not be deemed to have interrupted continuity of employment.
- 11.2 An employee's immediate family is defined as the employee's spouse (as defined in Section 33 of the Canada Industrial Relations Regulations), child, grandchild, parent, grandparent, parent-in-law, step-parent, step-child, step-brother, step-sister, and the employee's siblings and any relative of the employee who resides permanently in the employee's household or with whom the employee permanently resides.
- 11.3 If the employee wishes to have GSR grant an exception to this policy, he must present his request to the General Manager of GSR for consideration. The General Manager may grant an exception in his sole discretion. No pay will be granted to an employee for this purpose that is already on leave of absence or layoff. Time paid for bereavement shall not be included in the computation of overtime.
- 11.4 If an employee is bereaved while on vacation, bereavement leave days shall not be included as part of the vacation period. The vacation days not taken shall be rescheduled through mutual agreement between GSR and the employee.

ARTICLE 12 - JURY DUTY AND ATTENDING COURT

- 12.1 An employee who is summoned or who serves on jury duty and is required to lose time from his assignment shall be paid the difference between the amount paid by the court for such jury service and the amount of his regular base rate of wages for his regular tour of duty he would have otherwise worked, not including, however, reimbursement from the Court for meals, lodging or transportation. No pay shall be granted if the employee is on leave of absence, layoff, vacation or holiday. However, an employee's annual vacation will, if the employee so requests, be rescheduled to a time mutually agreeable to GSR and the employee if it falls during a period of jury duty. Hours paid under this provision shall not be considered as time worked when computing overtime.
- 12.2 An employee must furnish GSR with a statement from the court of the jury allowance paid by the court and the days on which jury duty was performed.
- 12.3 When attending court as a witness for GSR or a medical examiners inquest in cases where GSR is involved or he is subpoenaed by the Crown or government agencies in cases where GSR is involved, an employee shall receive pay for all time lost at his regular base rate of wages of one and one-half (1/2) times the employee's regular rate of wages after eight hours or 10 hours if the schedule is modified as per the Definition in 1.7, if the appearance falls on a rest day, he shall be paid a basic day and one and one-half (1 and 1/2) times the employee's regular rate of wages after eight hours or 10 hours if the schedule modified as per the Definition in 1.7 . This Article does not apply if the employee is under criminal investigation or is party to a civil suit unless GSR and the Union agree to provide it. GSR shall be entitled to a certificate for witness fees in all cases.

ARTICLE 13 - DISCIPLINE PROCEDURES

- 13.1 Subject to the rights granted in Article 3 and Article 6.3 of this Agreement, GSR shall not suspend or discharge an employee without just cause and without a fair and impartial hearing as set out in this Article. If an employee is in violation of a federal or provincial statute or regulation or is endangering the safety of himself, a fellow employee or the public, GSR may hold him out of service with pay pending a hearing.
- 13.2 GSR shall notify an employee in writing of the incident(s) for which suspension or discharge is or may be imposed. The notice shall summarize the nature of the incident(s), give the time, date, and place of the occurrence of the incident(s), set the time and date of the hearing, and inform the employee he has the right to Union representation and to bring witnesses.
- 13.3 The hearing will be scheduled within fifteen (15) days of the date of notice and shall be presided over by the General Manager of GSR or his designee. The parties shall not be represented by or utilize legal counsel at the hearing, GSR shall provide the employee and the Union a list of witnesses it intends to call at the hearing no less than forty-eight (48) hours in advance of the hearing. The employee shall also supply GSR with a list of witnesses he intends to call at the hearing forty-eight (48) hours in advance of the hearing. These time limitations may only be changed by mutual agreement between the Union and GSR.
- 13.4 The General Manager of GSR or his designee shall conduct the hearing in an informal manner and only he and the employee's Union representative may examine witnesses. A transcript of the hearing will be kept and it, as well as copies of all documents or audio or videotapes utilized in the hearing will be provided to the employee and his representative at their request.
- 13.5 GSR witnesses who attend a hearing shall be compensated for time lost and be reimbursed for reasonable out-of-pocket expenses. If the employee is held for more than eight (8) hours or ten (10) hours if the schedule modified as per the Definition in 1.7, he shall be paid one and one-half (1 and 1/2) times the employee's regular rate of wages. Employees who are already receiving compensation for the day(s) served as a witness shall not be paid any additional compensation for testifying.
- 13.6 A decision will be rendered in no longer than twenty (20) days after the hearing. Such decision shall be in writing and served on the employee and the Union. This time limitation may be changed only by mutual agreement between the Union and GSR. Once a decision has been rendered, GSR may implement the decision.
- 13.7 If the Union disagrees with the decision rendered, it may appeal the decision to the Chief Executive Officer of the Great Sandhills Railway, within sixty (60) days of receipt of the decision. Such appeal must be in writing and must specify the grounds or reasons the decision is incorrect or the level of discipline inappropriate. Failure to file an appeal by the due date shall render the decision final and not appealable. The General Manager shall have sixty (60) days from the date of receipt of the appeal to render a decision on the appeal. That decision must be in writing and served on the employee and the Union. The time limitations may be extended only by mutual agreement of GSR and the Union.
- 13.8 A grievance concerning the discipline imposed, which has been processed in the manner and through each of the steps outlined in this Article and still has not been settled or disposed of, may be referred by any of the signatories to this Agreement pursuant to the procedures set forth in Article 7.4.

ARTICLE 14 - DEDUCTION OF DUES

- 14.1 GSR shall, on the payroll for the pay period which contains the tenth (10th) day of each month, deduct from the wages of each bargaining unit full time employee within the scope of this Agreement an amount equal to the uniform monthly dues of the TCRC, or such other authorized amounts as directed by the Union, subject to the exceptions contained in this Article. GSR shall remit the total amounts deducted to each Union once a month accompanied by a report showing the amount deducted. GSR shall not be responsible, financially or otherwise, for any failure to make deductions or for making inaccurate or improper deductions or remittances.
- 14.2 GSR shall provide each new employee and each rehired employee a form letter outlining to the employee his responsibility regarding payment of union dues and initiation fees.
- 14.3 Employees filling positions of a confidential, supervisory or management nature and who are therefore not subject to any of the provisions of this Agreement shall be excepted from the deduction of dues, except that the employee may request that said deductions be continued in order to maintain seniority.
- 14.4 GSR will deduct from the payroll such amounts for dues that the Unions informs GSR are due for those Vacancy Relief Personnel who are paid for forty (40) hours or more in-a calendar month.

ARTICLE 15 - POSTING

- 15.1 GSR shall internally post vacancies for positions when it is determined that a vacancy of forty-five (45) days or more exists. If an employee is on authorized leave during the entire period of the posting, he can exercise his seniority to claim the position no later than the completion of his first tour of duty upon his return from the authorized leave of absence.
- 15.2 When GSR determines that a job vacancy in the bargaining unit exists, GSR shall post notice of the vacancy for a period of seven (7) days before the job is to be filled. The notice shall specify the nature of the job, the qualifications required, and the salary range for the position.
An employee who wishes to be considered for the position so posted shall signify his desire by making formal application to the supervisor specified in the notice within seven (7) days of the date of the posting of the notice.
- 15.3 On other than a general holiday, extra work or temporary vacancies of five (5) days or less on regular assignments will be offered to Vacancy Relief Personnel.
- 15.4 On regular assignments with vacancies of more than five (5) but less than forty-five (45) days not claimed by a regularly assigned employee will be offered Vacancy Relief Personnel.
- 15.5 On June 1 of each year, GSR will establish an annual advertisement of positions, where all positions shall be considered permanent vacancies.
Permanent positions will be bulletined for 7 days and given to the senior qualified employee applying therefore.

Note: Between general advertisement of positions, permanent vacancies that occur as a result of employees bidding off their assigned positions, or leaving active service, or being appointed to official positions with either the Company or the Union will be filled in accordance with 15.1.

If by reason of sickness or leave of absence, employees who fail to bid on positions when advertised, will have the right to exercise their seniority immediately upon return to service.

Applications will be signed, and employees shall be responsible for their application being received at the designated office within the 7-day bulletin period.

ARTICLE 16 - PAYDAY

- 16.1 All employees shall receive wages in accordance with Article 20 of this Agreement. Employees shall be paid bi-weekly.
- 16.2 Employees leaving the service of GSR shall be furnished with a payment covering all time within seventy-two (72) hours or as soon thereafter as possible. The time specified shall be exclusive of Saturdays, Sundays, and holidays.
- 16.3 All overtime shall be shown as a separate item on the pay summary of employees.
- 16.4 Employees shall be paid by electronic funds transfer.
- 16.5 An employee who has been short paid may request GSR to issue a voucher to cover such shortage.

ARTICLE 17 - OVERTIME

- 17.1 Overtime assigned by the GSR shall be paid at the rate of one and one-half (1 ½) times the employee's regular rate of wages for each hour of work over their regular day (as defined in Article 1.7) or in excess of forty (40) regular hours in each work week or in excess of the maximum hours of work permitted by the minister. Any hours worked in excess of fourteen (14) in a single tour of duty shall be paid at the rate of double time.
- 17.2 Overtime will not be paid when exercising seniority from assignment to assignment or when an employee works a regularly scheduled relief assignment. There will be no pyramiding of overtime.
- 17.3 Employees called in from home to work overtime which is not in conjunction with their shift will be credited with an amount which is equivalent to at least three (3) hours of overtime work.

ARTICLE 18 - MEALS AND EXPENSE REIMBURSEMENT

- 18.1 Employees shall be entitled to two (2) ten (10) minute paid breaks per regular shift and an additional paid meal time of thirty (30) minutes.
- 18.2 When an employee or Vacancy Relief Personnel is required to work away from his headquarters point or is required to attend a company meeting, GSR shall either provide transportation or reimburse the employee for the necessary cost of transportation. If the employee is permitted by GSR to utilize his own automobile, GSR shall reimburse him at the Canadian Revenue Agency rate. The 2019 rate is 58¢ per kilometer for the first 5,000 kilometers driven and 52¢ per kilometers driven after that, traveled via the most direct highway route unless otherwise approved by GSR.

ARTICLE 19 - EMPLOYEE HEALTH AND PHYSICAL FITNESS

- 19.1 The nature of GSR's business and work generally requires that employees are physically fit, ready, and able to work. In addition, certain of the job functions at GSR require that the employee be capable of communicating both orally and in writing in a clear and concise manner. Appropriate and reasonable tests of health and fitness and other skills may be made from time to time by GSR and may be included in job descriptions. GSR may require job applicants to take and pass a physical examination prior to employment and, if applicable, take and pass such other examinations necessary to show that the applicant can perform the functions of the job. GSR may also require employees to take such periodic examinations as are allowed or required by law.
- 19.2 GSR will pay for medical and eye examinations it requires. GSR shall also pay the employee his regular rate of wages for the time he spends traveling to and from the place of the examination, the time spent in the examination, and, if GSR requires the employee to travel away from his home terminal for the examination, it will pay his reasonable costs of travel.
- 19.3 Any employee who is required by law to maintain a valid motor vehicle license and who receives a suspension of his motor vehicle operating license must immediately report the matter to an officer of GSR. GSR and the Union will use their best efforts to find another job for this employee at GSR during the term of the suspension of his license. An employee whose duties require him to have a motor vehicle operating license in good standing may receive a suspension from duty without pay, if no other job is found for this employee.

ARTICLE 20 - WORK SCHEDULING AND WAGES

- 20.1 All employees covered by this Agreement shall be paid on an hourly basis. Unless otherwise specified in a particular job description, or as covered in Article 20.2 and 20.3. A basic day is defined as eight hours (8), or ten (10) hours under a modified schedule as defined in 1.7
- 20.2 GSR has the ability to create 10-hour assignments. In exchange crews will be scheduled to work a four-day work week with three consecutive rest days per week. GSR will schedule the train crews with four consecutive ten-hour shifts per week. The schedule will rotate weekends off to give all employees equal opportunity to have a balanced lifestyle away from work. Excluding the utility position, who will work four non-consecutive days per week with a minimum of two rest days.
- 20.3 Each regularly assigned employee shall be guaranteed an eighty (80) hours work for every two-week pay period which shall, unless otherwise posted in an individual job bulletin, start on a Monday of each week. A combination of straight time and overtime will be used to calculate the forty (40) hours work week. Regular day shifts shall start at or between 0500 hours and 0800 hours. Notwithstanding the above, the starting time for an employee may be established or changed to meet the operational requirements of GSR by giving the employee forty-eight (48) hours-notice of the change. Unless otherwise posted in an individual job bulletin or as covered by Article 20.3 below, the work week shall be defined as a period beginning at 0001 hours of each Monday through 2359 hours of each Sunday.

- 20.4 Employees who absent themselves from their assignments for any reason during the work week, including changes made to meet operational requirements as stipulated in article 20.3, shall have their pay adjusted in the next pay period by the actual number of hours below the standard hours in any week that they may be so absent.
- 20.5 Where possible and wherever the requirements of service permit, assignments will be bulletined to work consecutive days and to provide a minimum of two (2) consecutive rest days in a work week with a presumption that Saturday and Sunday are the preferred rest days if the requirement of service permit. Any change in the starting time of an assignment will be subject to an employee being given eight (8) hours rest between tours of duty unless the employee has booked for twelve (12) hours rest in and as a result misses the assignment in which case that employee will receive the earnings for that assignment. In the event an employee books off for rest after being advised of the change in an assignment, that employee would not be eligible for receipt of the earnings of that assignment. GSR will discuss the scheduling and implementation of assignments with the applicable Union. The parties recognize, however, the following: to meet the service needs and operating conditions of GSR, the employees' workweek may be bulletined with the scheduled rest days other than Saturday and Sunday.
- 20.6 Employees taken from their regular assignment to perform other duties shall be paid for all time actually worked at the base rate of pay for the position worked. If there is a wage rate differential, the higher rate shall apply.
- 20.7 The parties agree to establish a Voluntary Relief Personnel seniority list and calling procedure.
- 20.8 An employee who is absent for any authorized reason shall advise GSR at least two (2) hours in advance of his intention to return to work. An employee returning from vacation shall be required to report to duty for his regular assignment or for his first regular shift following the expiration of his vacation.
- 20.9 The attached wage schedules are incorporated into this Agreement by this reference and are made a part of it.

ARTICLE 21 - GROUP HEALTH AND OTHER BENEFIT PLANS

- 21.1 GSR shall maintain a group health benefit plan (as described in Appendix D) for its employees. A booklet outlining the coverage may be obtained from GSR. Employees must first meet the qualifying criteria as described in the group plan and as implemented by the insurance carrier or provider, before they are eligible to receive benefits. This insurance is only effective as long as the employee is eligible for insurance and becomes and remains insured as provided in the group policy.
- 21.2 GSR shall maintain a Group RRSP, an accidental death and disability, life, short-term disability, and long-term disability insurance plan for its employees. The Great Sandhills Railway will establish a defined contribution pension plan for all employees covered by this agreement. This pension plan will be administered as a self-directed RRSP through the Sandhills Credit Union in Leader Saskatchewan. The GSR will match any employee contributions to the plan up to three (3) % of their gross earnings for the first two years of operating. After two years of operating the GSR will match any employee contributions to the plan up to four (4) % of their earnings. After four years of operating the GSR will match any employee contributions to the plan up to five (5) % of their earnings.

- 21.3 GSR reserves the right to change insurance carriers, providers or policies. GSR will consult with the Union concerning changing benefit levels and so long as those benefit levels remain the same or better, GSR may implement them. If any reductions to the benefit levels or the employer's pension contribution level are to be made, GSR will obtain the approval of the Union, which approval shall not be unreasonably withheld.

ARTICLE 22 - REPORTING PAY AND CALLING PROCEDURE

- 22.1 When an employee is called and reports for duty and, for any reason other than his own, is not used, he shall be allowed pay for all time so held at the applicable rate of pay with a minimum of three (3) hours. If he is held longer than three (3) hours, he shall be allowed a day's pay at his base rate of pay.
- 22.2 A voluntary board will be developed to allow for regular employees to work additional shifts above the 40-hour mark at the standard rate of pay and 10-hour regular rate. This will give the full-time employees first chance to work extra shifts. The board will be voluntary; if employees choose not to be placed on the board, spare personal will receive priority in the calling order. If employees choose not to be put on the board and are called for duty after exhausting all other means to fill the vacancy, they will be paid according to article 17.1 of the CBA.
- 22.3 GSR shall not be required to call an employee who is in assigned service except to inform him if a train is delayed and to inform him of the new on duty time.
- 22.4 Employees and Vacancy Relief Personnel who are scheduled for duty and subsequently not required by GSR for service must receive notification of cancellation no later than 1800 on the day prior. If such notice is not provided the employee is entitled to a minimum day payment.
- 22.5 Employees or Vacancy Relief Personnel, who are called for duty by GSR operations staff and are unable to be reached, will be deemed to have "missed the call" if the Employee or VRP does not respond to GSR operations staff within 20 minutes of the initial call to accept the call.

ARTICLE 23 - SAFETY AND HEALTH

- 23.1 GSR shall establish a Safety and Health Committee made up of at least one member from management and one member from the Union.
- 23.2 The Safety Committee shall meet no less than quarterly and shall consult about and make recommendations to GSR concerning the furtherance of safety and health measures, including, but not limited to the reduction of ergonomic hazards in the work place, and conduct such other functions as required by the Canada Labour Code.
- 23.3 Regular Employees.

GSR shall furnish, for those employees requiring the appropriate safety gear, hard hats, safety vests, and if necessary, welders' protective clothing. An allowance of \$600 per year will be provided to cover all other work-related clothing required, including work boots, safety glasses and gloves. Employees failing to wear and use proper safety equipment for their position shall be subject to the Disciplinary Policy of GSR.

Vacancy Relief Personnel Employees:

GSR shall furnish, for those Vacancy Relief Personnel requiring the appropriate safety gear, hard hats, safety vests, and if necessary, welders' protective clothing. An allowance of \$300 per year will be provided to cover all other work-related clothing required, including work boots, safety glasses and gloves. Employees failing to wear and use proper safety equipment for their position shall be subject to the Disciplinary Policy of GSR.

ARTICLE 24 - MATERIAL CHANGES

- 24.1 If GSR proposes a technological change that is likely to affect the terms and conditions or security of employment of a significant number of GSR's employees, it will provide the Union with notice of the technological change one hundred twenty (120) days prior to the date on which the technological change is to be in effect. The notice shall state the nature of the technological change, the date on which GSR proposes to effect the technological change, the approximate number and type of employees likely to be affected by the technological change, and the effect the technological change is likely to have on the terms and conditions or security of employment of the employees affected. After receipt of the notice of technological change from GSR, the affected Union may request a meeting with GSR to discuss the proposed technological change. If the Union requests such a meeting, GSR and the Union will set a date within a reasonable time to have the meeting.
- 24.2 For purposes of this Article, technological change means the introduction by GSR into its work, undertaking or business of equipment or material of a different nature or kind than previously used by GSR in the operation of the work, undertaking or business and a change in the manner in which GSR carries on the work, undertaking or business that is directly related to the introduction of that equipment or material.

ARTICLE 25 - CREW CONSIST

All assignments shall have two (2) employees, namely, a Conductor and a Locomotive Engineer. When GSR does utilize a two-person crew, it will pay the crew members the amount shown in Appendix A.

ARTICLE 26 - REST

Train service employees may book rest at the completion of their shift or tour of duty of an amount up to the starting time of their next shift or tour of duty but not past the starting time of their next shift or tour of duty. Train service employees who have been on duty twelve hours or more have the right to book rest in route. The parties will jointly develop a fatigue management plan.

ARTICLE 27 - TRAINING

- 27.1 GSR shall establish training and qualification programs for each classification after consulting with the Union. These programs are intended to assist an employee to gain better knowledge of his job and learn new skills.
- 27.2 Classroom instruction and on-the-job training ("OJT") for train and engine service employees will be performance based and will not be tied to any obligatory number of working tours of duty prior to being declared qualified. A GSR train and engine service employees undergoing additional OJT will be compensated.
- 27.3 Training programs for train and engine service employees for qualification standards for operating employees ("QSOC") will be developed in consultation with the General Chair(s) or their designees.

- 27.4 Within six (6) months of the implementation of a new training program for train and engine service employees, the Union and GSR may meet to review the course material to determine if changes are appropriate. The time period within which this review will be conducted may be adjusted as deemed appropriate by the Union and GSR.
- 27.5 Trainee Conductors will work as additional crewmembers while seeking qualification as Conductor but will not be considered as part of the crew for the purpose of payment according to Article 25. The duration of the training will be in accordance with Article 27.2. A Conductor will receive an allowance of Ten Dollars (\$10) per tour of duty when required to train a trainee Conductor.
- 27.6 Conductors training as Locomotive Engineer may receive their OJT while performing normal duties as a Conductor. The duration of training will be in accordance with Article 27.2. Locomotive Engineers will receive an allowance of Twenty Dollars (\$20) per tour of duty when required to train a trainee Locomotive Engineer.
- 27.7 An employee who applies or accepts training and then refuses to fulfill the requirements for qualifying for the position or withdraws his acceptance prior to meeting said qualifications will be returned to his former position and be restricted from making application for the same position for one (1) year. In situations where extenuating circumstances are involved, GSR and the General Chairman will review the employee's case.
- 27.8 An employee who is in apprenticeship training shall be paid a special training rate. If an employee is in any other type of training directed by GSR, he will be paid his regular rate of wages while traveling to and from training (pursuant to the mode of travel designated by GSR) and for the actual time spent in training and shall be reimbursed for his reasonable costs of travel.
- 27.9 Employees and Vacancy Relief Personnel will be required to complete an approved First-Aid and WHIMIS course during their off-duty hours. Employees will be allowed a reasonable amount of time to complete these mandatory courses and will be compensated at their regular rate of pay while in attendance.

SIGNED AT CALGARY, ALBERTA, THIS DAY OF SEPTEMBER 13, 2019.

FOR GREAT SANDHILLS RAILWAY:



Perry Pellerin
CEO, Great Sandhills Railway



Aaron Wenzel
General Manager, Great Sandhills Railway

FOR THE TCRC:



Greg Edwards
General Chairman, TCRC LE West



Dave Fulton
General Chairman, TCRC CTY West

APPENDIX A - HOURLY RATES OF PAY

	01/01/2017	01/01/2018	01/01/2019	01/01/2020	01/01/2021
Increase	2.0%	1.0%	1.5%	2.0%	2.0%
Engineer	\$39.85	\$40.25	\$40.85	\$41.67	\$42.50
Conductor	\$38.38	\$38.77	\$39.35	\$40.13	\$40.94

Note: A person training as a conductor will be paid seventy-five percent (75%) of the above rate for conductor during the period of time he spends in training unless his rate of pay for his current position is greater than seventy-five percent (75%) than the training rate; in which case he will be paid the greater of the two. A person training as a Locomotive Engineer will be paid the Conductor's rate of pay as set forth above.

Conductor Trainees wages will escalate at the intervals in Appendix B, starting at 75% or as stated above their rate at their current position within GSR.

APPENDIX B - NEW HIRE RATE OF PAY

	Training	Qualification	1 Year	18 Months	2 Years
Conductor Trainee	75% or current rate, whichever is greater, not to exceed 85%	85%	90%	95%	100%

APPENDIX C - Letter – Article 20.01 – Guarantee

August 12, 2019

Dave Fulton
General Chairman CTY West

Greg Edwards
General Chairman LE West

This is regarding our discussion concerning the viability of the GSR and the guarantee as outlined in Article 20.3.

In May 2013 the parties agreed that employees hired after May 13, 2013 would not be entitled to the 80-hour guarantee as outlined in Article 20.3. The parties agree to cancel the May 2013 agreement with this letter and the following new conditions.

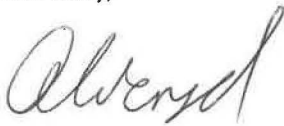
Due to the financial situation of the GSR, it is agreed between the TCRC and the Company to relax the requirement of Article 20.3 for all employees hired after May 13, 2013.

It is agreed between the parties that employees hired after May 13, 2013 will be entitled to a reduced guarantee of 70 hours rather than 80-hour guarantee as noted in Article 20.3 of the Collective Agreement. Employees hired prior to May 2013 will continue to be entitled to the full guarantee as outlined in Article 20.3.

The GSR has the best intentions regarding new hires and will make every effort to ensure working hours for new employees is as close to the standard as can be realistically provided.

This agreement will remain in effect for the earlier of the expiration of the current collective agreement; or the GSR returns to profitability.

Yours Truly,



Aaron Wenzel
Manager of Transportation GSR

I concur,



Dave Fulton
General Chairman - CTY



Greg Edwards
General Chairman – LE

APPENDIX D - GROUP HEALTH BENEFIT PLAN

July 2018 Benefit Plan attached