



Dave Fulton
General Chairman CTY West

Wayne Apsey
General Chairman CTY East

March 4, 2017

Sisters and Brothers:

As we have previously reported in our last bulletin of January 12, 2017, CP would not move forward with the Union's request for a CTY Long Term Disability (LTD) Plan nor perform the necessary payroll deductions.

We are happy to advise that the Company has since changed their decision and will work with the Union to move forward on this important initiative.

The CTY LTD plan will be effective March 10, 2017 with deductions commencing on the same day. As decided as part of the referendum vote, the deduction rate will be 1.47% of gross earnings plus applicable sales tax. Members residing in MB, ON and QC are taxed on their premium and the Company will make that transaction.

The Locomotive Engineers will continue to have a separate LTD plan until it is feasible to consolidate the two plans. It is agreed that premiums will be based upon where the member is set up on the first of the month, similar to Union dues. Members that have previously signed continuation of coverage forms will be permanently in the LE plan.

To clarify, if on the first of the month a member is set up as a Locomotive Engineer, the member will pay premiums to the LE Plan and will be covered under the LE Plan. If on the first of the month a member is working a CTY position they will be covered under the CTY LTD Plan unless, previously, a continuation of coverage form had been signed and sent in. Regardless, all TCRC members will now be covered with a Long Term Disability Plan effective March 10, 2017.

We will provide an update if anything further changes however should you have any questions feel free to contact the respective office.

Again, we thank all of the Membership for their patience and support on this important matter.

Fraternally,

Dave Fulton
General Chairman – CTY West

Wayne Apsey
General Chairman – CTY East