

LETTER OF UNDERSTANDING
between

BC RAIL LTD.
- and -
CAW Local 110

AGREEMENT No. 2003-01

REGARDING: Amendment of the Mackenzie letter of understanding to include the Ft. St. James terminal

The parties agree that:

Mackenzie and Fort St. James will each be considered a separate zone, the following terms and conditions will apply effective, November 3, 2003.

1. Additional Home Stations will be included in article 33.2
Mackenzie – Mackenzie Subdivision
Fort St. James – Stuart/Takla Subdivision
2. (A) Road assignments originating at Mackenzie may operate on the Chetwynd Subdivision.
(B) Road assignments originating at Fort St. James may operate on the Stuart and Takla subdivisions.
3. Vacancies of less than five (5) days will be filled in the following manner:
 - (a) Prince George engineers spareboard.
 - (b) Prince George auxiliary spareboard.
 - (c) Mackenzie and Fort St. James called as per the extra work letter of understanding.
 - (d) Chetwynd Auxiliary Board (for Mackenzie Only)
 - (e) Prince George engineer as per the extra work letter of understanding.
 - (f) Chetwynd engineer as per the extra work letter of understanding (for Mackenzie Only).
4. Temporary vacancies closing out with "no applications" will be filled in the following manner at both locations:
 - (a) Assign the junior auxiliary spareboard engineer from Prince George.
 - (b) Assign the junior spareboard engineer from Prince George.
5. Permanent vacancies closing out with no applications will be filled in the following manner:
 - (a) Assign the junior auxiliary spareboard engineer from Prince George.
 - (b) Assign the junior spareboard engineer from Prince George.
 - (c) Assign the junior auxiliary spareboard engineer from the closest auxiliary spareboard.
6. This Letter of Understanding will apply only to regular, not seasonal assignments (log trains and related switchers). Status quo for log train manning.

7. It is understood that the following applies to displacements in the respective terminals:

- i) Engineers displaced from Mackenzie will not be required to protect their seniority in Fort St James.
- ii) Engineers displaced in Fort. St James will not need to protect their seniority in Mackenzie.
- iii) Engineers displaced in Prince George will not need to protect their seniority in either Fort St. James or Mackenzie.
- iv) Both permanent and temporary vacancies in Mackenzie and Fort St. James will be protected as currently provided for in the previous items of this letter of understanding.

This Agreement will not serve to prejudice either party in future negotiations, nor will it be used as a basis to compromise any current provisions within our Collective Agreement, nor any positions of the parties with respect to any other operation of the Railway.

This Agreement may be terminated by either party by providing thirty (30) days written notice.

Signed in the city of North Vancouver on this 03 day of NOV, 2003.

For the Union:


Mike Norman

For the Railway:

