MEMORANDUM OF AGREEMENT

between

Bessemer and Lake Erie Railroad Company,

Grand Truck Western Railroad Company,

Illinois Central Railroad Company and Chicago, Central & Pacific Railroad Company,

Wisconsin Central Ltd.

(All railroads doing business as CN, and only for purposes of this letter, collectively referred to as the "Named CN Railroads")

and

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYES DIVISION/IBT ("BMWED")

Effective January 1, 2024, and continuing on an annual calendar year basis each year thereafter, each Employee shall be provided four (4) workdays of paid sick time leave to be used for absences related to or resulting from the Employee's physical illness, mental illness, off-duty injury, doctor and dental appointments, or medical conditions.

In addition to the annual paid sick leave, each Employee who meets the qualifying personal leave day criteria contained in the "Personal Leave" Rule/Article of each collective bargaining agreement between BMWED and the Named CN Railroads and the qualifying paid personal leave requirements of Article IV of the December 2, 2022, Imposed National Agreement, shall be permitted to utilize up to a maximum of three (3) paid personal leave days per year as paid sick leave. Personal leave may be utilized after an employee has exhausted the annual sick leave will be subject to the reporting requirements of this agreement as described below. There will be no duplication of payment for the utilization of paid personal leave days used for paid sick leave.

Each Employee shall be permitted to use paid sick leave in a minimum of one (1) day increment. All paid sick leave shall be paid at the respective straight time hourly rate of pay of the position currently held by the Employee. If the Employee is unassigned at the time of use of paid sick leave, the paid sick leave shall be paid at the respective straight time hourly rate of pay of the last position the Employee worked and was compensated.

Where the use of paid sick leave is not foreseeable, Employees must report to the Attendance Management Center their use of paid sick leave as soon as practicable. Where the need for paid sick leave is foreseeable (e.g., a doctor's appointment or procedure that is scheduled at least 7 days in advanced of the absence), the Employee's request must be made to the Attendance Management Center at least seven (7) calendar days in advance of the use of paid sick leave, except for instances of the Employee's physical incapacity or other emergent conditions that do not permit the timely reporting. In all instances, the request to use paid sick leave will be treated as valid and granted upon the Employee's request, subject to certain conditions described in the paragraph below, and

such granting will be communicated by the Carrier to the Employee either verbally or in writing (e.g., via email or text message) as soon as is practicable.

The Carrier may require an Employee to provide a note from a healthcare provider to document the need of paid sick leave. The Carrier will not require an Employee to complete the Company's administrative medical return to work processes before allowing an Employee to return to duty from paid sick leave of four (4) consecutive workdays or less in a single occurrence, unless the nature of the medical condition would reasonably warrant such procedure.

Unused paid sick leave may be contributed by the Employee to his/her 401(k) account if the employee has made a 401(k) contribution election or it will be paid out at the end of the calendar year at the Employee's straight time hourly rate of the position currently held by the Employee. In the event of the death of the Employee, any unused paid sick time will be paid out consistent with current Company processes in place to pay out unused paid time off to the survivors of a deceased employee. If the Employee is unassigned at the time of payment, the unused paid time off shall be paid at the respective straight time hourly rate of pay of the last position the Employee worked and was compensated.

Paid sick leave absences will be handled in accordance with the Company's attendance guidelines in effect at the time of the absence. Employees who are dismissed or suspended from service but whose discipline is subsequently removed or overturned through arbitration, voluntary settlement, or other means, shall receive pay for paid sick leave lost to the extent applicable. The Employee shall also qualify for and be credited for accrued paid sick time to be used in the current year that the Employee would have otherwise received if not for such improper discipline, to the extent applicable.

The provisions of this paid sick leave agreement have no effect on and in no way alter collective bargaining agreement terms regarding paid time off and the application thereof for the Employees, including but not limited to the use of paid vacation (National Vacation Agreement and the subsequent amendments thereto), paid personal leave days when not utilized as paid sick leave, paid holidays (National Holiday Agreement and the subsequent amendments thereto), or the Family and Medical and Leave Act (FMLA) and any other laws applicable to the carrier. An Employee marking off sick shall have paid sick leave applied to such absence until the Employee has exhausted their sick leave days provided under this agreement. Short term disability benefits, such as supplemental sickness benefits and off-track vehicle benefits provided through a collective bargaining agreement or disability and job protection benefits that are voluntary and paid for solely by the Employee (e.g., Aflac), Railroad Unemployment Insurance Act (RUIA) sickness and unemployment benefits, do not count towards the required leave that must be provided under the provisions of this Agreement. The provisions of this paid sick leave agreement have no effect on and in no way alter RUIA or supplemental sickness benefits.

This Agreement shall remain in effect until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

This Agreement made and executed in Homewood, IL, this 24th Day of January, 2024.

FOR THE ORGANIZATION:

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General Chairman, BMWED Unified System Division

General Chairman, EMWED Wisconsin Central System Division

General Chairman, BMWED Alliance System Division

General Chairman, BMWED Bessemer and Lake Erie System Division

APPROVED:

Vice President, BMWED – West Region

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Vice President, BNIVED – Northwest Region

Vice President, BMWED - Northeast Region

FOR the Named CN Railroads

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Director, Labor Relations

P. L. Cri

Senior Manager, Labor Relations

Questions and Answers Regarding the CN-BMWED Paid Sick Day Agreement

Q: Does taking Paid Sick Leave before or after a holiday qualify an employee for the holiday pay? A: No, employees who use one or more of the four designated Paid Sick Days on the day before or the day after a holiday will not be eligible for holiday pay.

Q: Do Paid Sick Days roll over into future years if not used? A: No. Unused Paid Sick Days are paid out at the end of the year.

Q: Is sick leave pro-rated for employees hired after January 1 of each year? A. No. The four days of sick leave are granted on January 1 of each calendar year. Therefore, employees must have an employment relationship on January 1 to receive sick leave in any calendar year. Employees hired after January 1 will receive the four sick days on January 1 of the following calendar year.

Q: When using a Personal Leave Day as a Paid Sick Day, can the employee request the Personal Leave Day on the day that is needed?

A: Yes. When used as a Paid Sick Day (i.e., once the allotment of four standard Paid Sick Days is exhausted), a Personal Leave Day is subject to the same notification and reporting requirements as sick days under the Paid Sick Leave Agreement, which do allow for same-day notification under certain circumstances.