

Montreal, April 22nd 2016

Mr. William Michael

Mr. Bruce Willows

Mr. Jean-Michel Hallé

Re: Canadian Armed Forces Reserves at VIA Rail

Dear Sirs,

Reservists are members of the Canadian Armed Forces who serve on a part-time basis and hold civilian jobs. Members of the Reserve Force are required to undergo training of up to 15 days annually. They are entitled to an unpaid leave of absence for this period under Article 247.5(1) of the Canada Labour Code.

To support the reservists working at VIA Rail and attract members of the Reserve Force to join VIA Rail, we wish to enhance the minimum standards prescribed under the Code for our employees and your members.

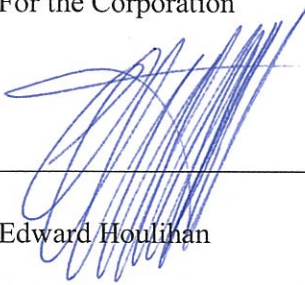
The Corporation proposes the following;

- **Leave** – for military training – payment of top up benefit: 100% of base salary (the difference between the employee’s gross salary and the pay received by the Reserve Force) -1 leave per year , a maximum of 15 working days per year
- **Group Insurance** – all coverages maintained – (Note: no benefits paid if expenses, claims or disability arise from war or insurrection.)
- **Pension Plan** – the employee may choose to maintain participation (they must pay his/her contributions)

The Corporation wishes to implement these changes as soon as possible and Teamsters Canada Rail Conference recognizes the importance of these improvements and agrees to make these changes to the leave provisions for members of the Reserve Force. The parties agree that these provisions will be incorporated into Collective Agreements 1.4 and 4.2 upon renewal.

Signed the day of April 22nd 2016 in Montreal

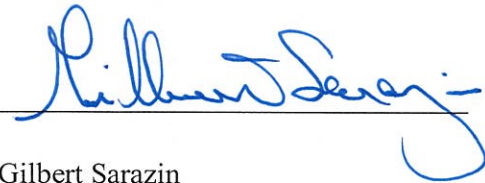
For the Corporation



Edward Houlihan

Director, Employee Relations

VIA Rail Canada



Gilbert Sarazin

Senior Advisor, Employee Relations

VIA Rail Canada

For the Union

William Michael

General Chairman, Central Region

Teamsters Canada Rail Conference

Jean-Michel Hallé

General Chairman, Eastern Region

Teamsters Canada Rail Conference

Bruce Willows

General Chairman, Western Region

Teamsters Canada Rail Conference