

Business Expense Reimbursement Guidelines

1. Purpose:

This document outlines the terms and conditions for reimbursable business expenses as defined within the business objectives of Canadian Pacific (“CP”). These apply to all Suppliers & Independent Contractors and their representatives, contracted by CP and in the course of normal business.

2. Overview:

Travel should be via the lowest cost alternative, consistent with prudent business practices.

Travel and associated travel expenses will be authorized and reimbursed only in circumstances which are clearly consistent within these terms and conditions. It will be the responsibility of the CP General Manager to ensure that all travel expense claims are made only for per diems and actual, reasonable business expenses in connection with authorized travel as defined within. In order to maintain control over expenditures, any expense submitted which does not comply with these terms and conditions will not be paid.

Implementation & Responsibility:

a. CP Delivery Manager Responsibility:

To be familiar with the current travel and reimbursement guidelines

To determine if travel is really necessary

To secure Approval for travel related expenses from CP General Manager.

To approve expenses in accordance with these terms and conditions.

b. Supplier’s Responsibility:

To only incur expenses that are consistent with CP business needs, and exercise care in determining appropriate expenditures

Must secure approval from CP Delivery Manager (with Travel approved from CP General Manager) for business and travel related expenses prior to the trip occurring.

Submit expense claims on a timely basis (within 30 days) with original receipts (for anything over \$10) and details of expenses. Receipts are not required for meal per diem.

A Supplier cannot approve expenses for other Suppliers or CP employees working for them.

3. Travel Authorization & Approval:

a. Air Travel:

Air travel will be via the most direct and economical means. Deviations from the lowest fare must be pre-approved by CP General Manager. Business class travel is not permitted.

Travel plans must be made fourteen (14) days or more in advance. If travel is requested less than fourteen (14) days prior to departure, CP General Manager approval is required.

For Supplier stays longer than one week, CP shall, for purposes of a Supplier returning to their home location, reimburse Airline travel costs every second week, as well as the final airfare at the conclusion of the term of the engagement.

b. Transportation/Auto Rental:

Taxi/cab fares or Airport transport are acceptable from home to airport, airport to CP work site and return from CP work site to airport and airport/home. CP will pay for parking if a Supplier opts to drive their personal vehicle to the airport. CP will not pay mileage costs to and from the home location/to the airport/ home.

Rental Cars must be approved in advance. The use of rental cars is acceptable for travel to/from CP work sites if the situation requires; CP will reimburse at CP Corporate rental rates for standard model vehicles; any exceptions require CP General Manager pre-approval.

Examples:

- a) If a Supplier is working in Calgary (Gulf Canada Square) and staying at a hotel located in the downtown core, a rental car will not be approved.
- b) If a Supplier is working at a CP location but is required to stay at a hotel where use of a rental car is preferable to the use of taxis, then a rental car can be approved. Taxi will be paid from the hotel if the Supplier does not have a car rental and the hotel is outside the downtown core.

When car rentals are approved by CP, then Parking fees are refundable with receipts.

Car rentals must be rented through CP's Preferred Partners which are currently **Enterprise** or **National Rental Car**. Please check the following site for the most current information on the preferred vendors:

<http://railcity.cpr.ca/en-ca/Employee/Discounts/Travel/Pages/CarRentals.aspx>

The Contract ID's must be mentioned at the time of booking to secure the CP rate:

- **National Rental Car: Contract ID: XVC5381**
- **Enterprise Rental Car: Contract ID: XVC5381**

4. Lodging:

Supplier is eligible to receive either a per diem amount based on the city they are staying in, or book their own accommodations according to the CP Approved Hotel List. Supplier is to book accommodations in order of the CP Approved Hotel List. If a hotel is booked that is not on the approved hotel list, CP is not obligated to pay the bill, beyond the per diem rate for that city. Supplier can only receive the per diem amount upon presentation of the hotel invoice. In the event the Supplier is unable to find a Hotel, they should contact CP Facilities during regular business hours at 1-877-805-8588 (Press 1 for hotel accommodations and press 1 to speak to an agent)

Hotel Per Diem Rate per night:

Calgary \$125
Mississauga \$65
Montreal \$100
Minneapolis \$97
Vancouver \$125

For extended periods where accommodation is required for stays greater than 4 days a week for more than 3 consecutive weeks, the Supplier shall contact CP Facilities and they will arrange Condo type alternative accommodations. The Supplier is required to sign the lease for the facility accepting responsibility for all lease terms and conditions. CP will arrange payment directly with the Condo owners.

During the Calgary Stampede, the Calgary Oil Show, and the Montreal Grand Prix – should CP request the Supplier to be at the CP offices during this time, CP will only reimburse accommodations booked at CP Approved Hotels at the above rates. If the hotel is requesting a surcharge, the Supplier must advise CP Facilities during regular business hours at 1-877-805-8588 (Press 1 for hotel accommodations and press 1 to speak to an agent) prior to booking their room.

5. Meals and Sundry

Suppliers will be given a per diem of \$60 per full day.

Non-reimbursable expenses include, but are not limited to: entertainment expenses, alcoholic beverages, airline club dues, rental car club membership fees, airline head set rental, in-room movies, fines for traffic violations, insurance on life, or personal property while traveling, purchase of clothing and/or other personal items, expenses for family, child, pet, home and property care while on a trip.

6. Laundry Service:

Actual and reasonable laundry expenses will be reimbursed. Receipts must be provided. This applies only after the Supplier has been away from home for five (5) consecutive business days, or if the trip has been unexpectedly extended.

7. Rate Schedule

CP General Manager pre-approval is required for any travel and business expenses. CP GM approval to be secured by CP Delivery Manager.			
Expense	Stipulation	Conditions	Approved by
Airfare	Lowest economy		CP Delivery Manager
Accommodations	Hotel Per Diem Rate per night: - Calgary \$125 - Mississauga \$65 - Montreal \$100 - Minneapolis \$97 - Vancouver \$125	Invoice of proof of hotel stay must accompany request for per diem amount. Condo will be secured for Suppliers whose stays are greater than 20 days per month.	CP Delivery Manager
Taxi	To/From Home/airport, Airport/CP Work Site/ CP Work Site/Airport, Airport/Home.	If required from assigned accommodations outside downtown core.	CP Delivery Manager
Rental car	CP Corporate rate or better National Rental Car Contract ID:XVC5381 Enterprise Rental Car Contract Id XVC5381	If approved, Standard model	CP Delivery Manager
Parking	Only reimbursed when approved.	Only reimbursed when approved.	CP Delivery Manager
Meals and sundry – personal	Daily limit \$60 CDN, or \$60 US		CP Delivery Manager
Meetings – Rooms & Meals	Not applicable. Meetings to be booked by CP Delivery Manager through Facilities.		CP Delivery Manager

8. Expense scenarios (as examples only)

a. Short term assignment to Calgary office from Toronto

Duration	5-15 business days	Calgary	Taxi/Auto/Parking	Meals & Sundry
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Acceptable expenses	<p>Airfare:</p> <ul style="list-style-type: none"> - 1 return economy ticket every second weekend to home location - 	<p>Hotel:</p> <ul style="list-style-type: none"> - CP will reimburse per diem daily amount or CP Approved Hotels. 	<ul style="list-style-type: none"> - Airport or taxi to/from home/YYC, YYC to accommodations, CP work site /airport, airport /home - Every two weeks. 	\$60/day CDN for full day. Will be prorated for a part day.
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b. Long term assignment to Calgary from Toronto

Duration	More than 15 business days in any given month	Calgary	Taxi/Auto/Parking	Meals & Sundry
Acceptable expenses	<p>Airfare:</p> <ul style="list-style-type: none"> - 1 return economy ticket every second weekend to home location - 	Apartment (Single Occupancy) CP will pay accommodation provider directly.	<ul style="list-style-type: none"> - to/from home/YYC, YYC to accommodations, CP work site/airport, airport/home - Taxi from assigned accommodations if required. - Every two weeks. 	\$60/day CDN