



November 11, 2008

Dear EJ&E Supporters:

With Election Day now over, we believe we have the best opportunity for relevant parties to sit down and focus on key issues involved in the EJ&E transaction without the distraction of the political season. With a little less than two months left until December 31 – the date the transaction must close – CN remains cautiously optimistic about prospects for approval by the Surface Transportation Board (STB). But to make it happen, we need your help.

In addition to how you can help secure approval for the transaction, we are providing you an update of key developments below.

Recent and Expected Events

Court Decision Issued

On November 10, the U.S. Court of Appeals for the District of Columbia Circuit denied CN's petition asking the court to require the STB to rule in a timely fashion. CN is disappointed by the court's action, but will continue to seek a decision from the STB that will allow the transaction to close by year-end. For a timely decision to materialize, Members of Congress must hear from supporters of the transaction.

Congress Fails to Pass Legislation, but Might Try Again

While Congresswoman Melissa Bean and others attempted to derail the EJ&E acquisition through introduction of federal legislation (H.R. 6707), the measure failed in the House. However, this legislation could be considered again during the "lame duck" session of Congress scheduled for later this month. In the event this happens, look for an Action Alert by CN asking to you to contact your Member of Congress urging him/her not to support the legislation.

STB Meeting Scheduled

The STB has scheduled a public meeting for November 18 in Washington, DC for the Board members to receive a briefing from the STB staff on the Environmental Impact Statement (EIS) being prepared on the transaction.

Community Outreach Continues

In addition to presenting a comprehensive voluntary mitigation plan to the STB, CN continues to meet and deliberate with communities along the EJ&E line to resolve outstanding issues in order to arrive at voluntary mitigation agreements. To date, the city of Joliet has entered into a voluntary mitigation agreement and CN expects more communities will enter into similar agreements. Look for news in the near future.

What You Can Do to Help

In the ensuing weeks, federal elected officials need to hear directly from you about why the transaction is important and why we must act now to realize the transportation and economic benefits of the transaction. Please take a moment to contact President-elect Barack Obama, U.S. Senator Dick Durbin, and your Member of Congress and share your opinions about the importance of this transaction. For the contact information for your U.S. Senators and Members of Congress, please visit www.cn.ca/eje. We are also enclosing a sample letter to Members of Congress from which you can model your own letter. Please do not use the sample letter in its entirety as this will diminish the effectiveness of the letter.

In the coming days and weeks, we will continue to keep you apprised of key developments. As always, thank you for your support of the proposed EJ&E transaction.