



April 29, 2010

Dear Customer,

CN has a new Sales/Marketing/Operation organization in place. Many of you told us you have already noticed that we are making tangible and genuine efforts in becoming more customer focused, while maintaining our legacy of operational excellence.

For example:

- We are focusing on the first mile and last mile of our service.
- We modified the rules of application of origin demurrage in August 2009 and of destination demurrage in December 2009.
- We are engaged with a group of customers to modify our car ordering process to make it more responsive to your needs with your own customer orders.
- We implemented a day of the week scheduled grain service, which generated great satisfaction reviews in the first Quarter of 2010.
- We are managing our car order book in a way that fulfills a higher percent of total weekly orders. We want to be there for you and your own customer's sales.
- We are taking a supply chain view on our role in the transportation business and are engaging with Ports and Bulk Terminals to make Vessel-Terminal-Rail work more cohesively.

While these initiatives are already producing benefits, there will be from time to time difficult issues where we will not agree. When disputes arise, we would like to offer our customers a commercial dispute resolution process. This is a commercial process with mediation and binding arbitration to help find a common ground to agree on, which also dramatically speeds up the process and reduces costs for all parties.

Please find attached the [CDR agreement](#) and a [CDR presentation](#) overview. The CDR applies to service and linehaul rate issues subject to the CTA, and issues relating to the application of optional services tariff.

This is a genuine effort by CN to further improve our interface with customers. We look forward to growing our business with you.

Sincerely,

Jean-Jacques Ruest
CN Executive Vice-President
and Chief Marketing Officer