



**CANADIAN
PACIFIC**

Mike Franczak
*Executive Vice-President
Operations*

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Calgary, November 29, 2011

Mr. Dave Able
General Chairman
TCRC - LE West

Mr. Dave Olson
General Chairman
TCRC – CTY West

Mr. Benoit Brunet
General Chairman
TCRC - LE East

Mr. Bruce Hiller
General Chairman
TCRC – CTY East

Dear Sirs,

The following is Canadian Pacific's Network Operating plan for the upcoming holiday season.

Road Operations:

Canadian and U.S. train operations will be suspended in our transcon, regional, and local network late in the day (1800-2000) on Saturday, December 24 and resume mid-day (1200-1400) on Sunday, December 25, 2011, with the exception of western Canada where we will continue to operate Coal, Potash, and Grain.

Given the minimal disruption planned in the network, our holiday “shutdown” operation will be somewhat different than previous years as we plan to “stop” trains as close to the 1800-2000 window regardless of location, which means that AFHT will be used as required to limit impact to our train service. We do not plan to hold trains on subdivisions but that may be an option.

We will not embargo PPS this year, but this will require trains handling PPS products to be given priority in late “stop” and early “start” within the windows. Intermodal terminals will protect PPS servicing requirements within the Intermodal facilities.

Intermodal Terminals will operate to protect service for both rail and truck based on the limited shutdown window.

Local Operations:

Local assignments to be curtailed based on the shutdown period but will be required for the afternoon shift on December 25th to ensure train operations and productivity are maintained.

For New Year's holiday, we will be operating normal train service. We may experience cancellations and schedule adjustments based on volumes.

We have advised our customers as follows:

Saturday, December 24: We will be offering local service.

Sunday, December 25: Canadian Pacific will not be offering local service to carload facilities in Canada or the United States.

Monday, December 26: We will be offering local service.

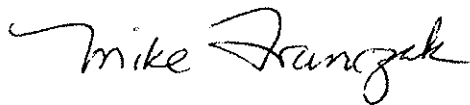
Tuesday, December 27 to Friday, December 30: Normal local service.

Saturday, December 31: Normal local service in Canada. In the U.S., we will be offering local service per normal local service operating plan.

Sunday, January 1 and Monday, January 2, 2012: We will be offering local service.

These requirements will be communicated locally to the employees and will be consistent with the provisions of the applicable collective agreement.

Sincerely,

A handwritten signature in black ink that reads "Mike Franczak". The signature is written in a cursive, flowing style.

Mike Franczak