

CANADIAN NATIONAL RAILWAY COMPANY
ILLINOIS CENTRAL RAILROAD COMPANY

NOTICE TO EMPLOYEES

June 14, 2005

On June 1, 2005, Union Pacific Railroad Company (UP) filed a Notice of Exemption with the Surface Transportation Board ("STB") (STB Finance Docket No. 34711) in connection with an agreement between Illinois Central Railroad Company (IC) d/b/a Canadian National Railway Company ("CN") pursuant to which CN agreed to grant overhead trackage rights to UP over CN's railroad line extending from CN's connection with UP at CN's Milepost 228.9 near Kinmundy, IL and the north end of Laclede siding at CN's Milepost 214.6 near Laclede, IL, all on the Champaign Subdivision, a distance of approximately 14.3 miles.

The trackage rights agreement was scheduled to be consummated on or after June 8, 2005. Pursuant to the agreement, UP will have the right to operate, in overhead freight service only, its trains, locomotives, cars and equipment with its own crews over the designated segment of CN's rail line.

This trackage rights transaction is subject to the labor protection conditions imposed in *Norfolk and Western Ry. Co.—Trackage Rights—BN*, 354 I.C.C. 605 (1978), as modified in *Mendocino Coast Ry., Inc.—Lease and Operate*, 360 I.C.C. 653 (1980). CN does not anticipate that this trackage rights transaction will have any adverse effect on CN employees. However, any employees who are adversely affected by this trackage rights transaction will be entitled to the labor protection conditions imposed in *Norfolk and Western Ry. Co.—Trackage Rights—BN*, 354 I.C.C. 605 (1978), as modified in *Mendocino Coast Ry., Inc.—Lease and Operate*, 360 I.C.C. 653 (1980).

This Notice is being served and posted pursuant to Article I, Section 4 of the *Norfolk & Western Conditions*.