

WITHOUT PREJUDICE

Les Dakens  
Senior Vice-President, People  
935 de la Gauchetière West  
Montréal (Québec) H3B 2M9

Dear Mr. Dakens:

**Re: Your letter of June 8, 2006 concerning consent for early retirement**


In your above-cited letter, CN announces that it will no longer consent to an unreduced pension benefit for plan members leaving CN before age 55, whether voluntarily or involuntarily. As well, your June 20 Questions and Answers document states that employees who retire between age 55 and 65 will not be affected by this change, so long as they "obtain company consent to retire early without a reduction".


We, the undersigned Union members of the Pension Committee, would like to express our great concern about this unilateral action and the many and varied questions that this action has generated. We believe CN does not have the right to make this change, especially in light of previous negotiations and your long-standing commitment that consent would not be withheld.

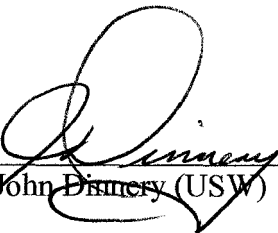
In light of the major turmoil and adverse effects that your decision has created for our membership and their families, we urge you to reconsider and rescind your decision without delay.

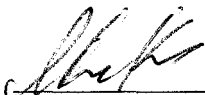
Yours truly,




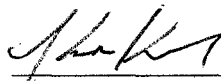
  
Rex Beatty (UTU)

  
Gilles Hallé (TCRC)

  
John Dimery (USW)

  
Kevin Kearns (IBEW)

  
Robert Fitzgerald (CAW)

  
Frank Morgan (CNRPA)