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April 15th, 2021

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ATTENTION: Surface Transportation Board

Re: Finance Docket No. 36500 – Reply to Objections to KCS Waiver

My name is Doron Grosman and my business address is Suite 610, 375 Water Street, Vancouver, BC, Canada V6B 5C6. I am the President and CEO of GCT Global Container Terminals Inc. I am responsible for all facets of the business at our marine terminals in Canada and the United States which includes railway connectivity at our facilities.

GCT has previously submitted to the Board a letter supporting approval of the proposed CP-KCS combination, and I have attached a copy of that letter for the Board's convenience. As expressed in our previous letter, GCT supports swift approval of the CP-KCS combination because of the significant benefits we expect to realize from this transaction.

GCT is aware that several parties have filed objections to the application of the pre-2001 merger rules to the CP-KCS transaction under the "waiver" issued in 2001 for transactions involving KCS. GCT wishes to reply to those objections by urging the Board not to revoke the KCS waiver. The pre-2001 rules provide the Board and all interested parties all the tools that are needed to fully evaluate the proposed transaction.

We are fully cognizant of the Board's mandate to ensure that Class I mergers are in the public interest, and do not risk significant disruptions in the railway system. From our perspective, the unique nature of the CP-KCS transaction alleviates the concerns that motivated the new rules adopted in 2001. Reviewing the CP-KCS combination under the tried and true pre-2001 merger standards will prevent undue delay, while still allowing for a thorough public interest assessment by the Board.

As we have mentioned in our March 29 letter, the end-to-end CP-KCS transaction will improve service options, with new single-line hauls and broader access to markets across North America. Experience shows the industry that single-line rail service options are far superior to public and private fleets. The synergies of a CP-KCS combination promise significant public benefits, which the industry is to see realized as soon as possible, without the delays and additional burdens that would result from applying the 2001 rules for the first time ever to this transaction.

Nothing about the CP-KCS transaction raises the kinds of concerns that would flow from a merger of the much larger Class I railroads. The issues should be simple – the transaction improves competitive options and service – and any concerns any party has should be easy to address under the pre-2000 rules. The 2001 rules were designed for much more complex transactions and they should not be tested out in this case.

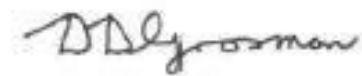
GCT is looking forward to a stronger CPKC network that will increase our access to diversified market opportunities. As such, we urge the Board to apply the KCS waiver provision it thoughtfully included in its 2001 Major Merger Rules. An elongated period of review will delay and potentially reduce the positive synergies this merger promises. The KCS waiver will allow the Board to conduct a thorough but efficient and fair review and allow for the benefits of the new CPKC network to come to fruition more quickly.

GCT is additionally concerned that applying the 2001 Major Merger Rules to the CP-KCS merger, a transaction the rules were not designed for, would lead to precedent with unintended consequences and might also create an easier path for some other Class I merger proposals that would be problematic in ways CP-KCS is not. The CP-KCS merger is unlike other Class I merger combinations, in that it is a straightforward transaction between the two smallest U.S. Class I railroads, and it promises substantially more benefits than risks to the public interest. We also know that this transaction, among all possible Class I mergers, is unique in not posing any serious concerns about lost competition, service disruption, or other harms. Interpreting and applying the 2001 rules to this transaction could encourage other Class I railroads to see an easier path for their own Class I merger proposals without the same unique benefits of the CP-KCS transaction.

In preparing this letter, GCT has had the sincere benefit of receiving from CP a better understanding of the implications of the merger rules affecting this transaction and other Class 1 mergers, in particular the impact of the 2001 KCS waiver and the role of the Board in interpreting and applying the merger rules, and we express our appreciation to CP in this regard.

For these reasons, GCT urges the Board to maintain the KCS waiver and reject calls to revoke it, and to proceed to review and approve the CP-KCS proposed combination as expeditiously as possible. We look forward to seeing CPKC as a stronger competitor in the industry.

Yours sincerely,

A handwritten signature in dark ink, appearing to read "D. Grosman", with a stylized flourish at the end.

Doron Grosman
President and CEO

CC: All Parties of Record

March 26, 2021

ATTENTION: Surface Transportation Board

RE: Finance Docket No. 36500, CP/KCS Combination

My name is Doron Grosman and my business address is Suite 610 – 375 Water Street, Vancouver, BC V6B 5C6 Canada. I am the President and CEO of GCT Global Container Terminals Inc. In my role, I am responsible for all facets of the business at our marine terminals in Canada and the United States which includes railway connectivity at our facilities.

GCT fosters a long standing, strong partnership with CP which has been built on a foundation of ensuring fluidity in the supply chain for containerized freight moving via rail. We partner with CP at our flagship terminal, Deltaport which is largest marine terminal in Canada in addition to Vanterm in the Metro Vancouver area.

GCT supports approval of the CP/KCS combination. The transaction would facilitate significant benefits that we are eager to see realized as soon as possible.

From our perspective, the transaction promises to provide improved service options in the markets which are served via our marine terminals. The combined CPKC network – with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets – may help us expand to new markets more efficiently. And, with the two railroads' strong focus on safety and their track record of operational excellence based on our experience, I am confident that CPKC will be able to integrate their operations seamlessly to the benefit of rail customers and other stakeholders. We see this transaction as uniquely beneficial, where this consolidation of Class I railways would facilitate increased service options for our customers.

CP's partnership has been vital in promoting import and export growth in the United States Mid-West and Canadian markets via our marine terminals in Metro Vancouver. CP has provided excellent service to our mutual customers, but its market reach is limited today, as its lines only go as far south as Kansas City. CP must interline with other railroads to reach destinations beyond Kansas City.

We are very excited about the transaction because it will allow a combined CPKC to provide new, more efficient and reliable rail service options. This will strengthen competition in our markets also served by other, larger rail carriers and trucks. For example,

- CPKC's new single-line haul offerings will expand market reach and offer new competitive transportation options for containerized freight shipments.

- We are particularly enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States, Mexico and Canada under the USMCA trade agreement. It is important that there be a true USMCA railroad option.
- CPKC's new service offerings will reduce transit times and reliability, which will improve efficiency throughout the supply chain. This will unlock new opportunities for GCT and promote growth for services which call at our marine terminals through the expanded North America network.

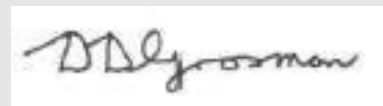
We have been impressed by the attention of CP to safety and operational effectiveness. Given the straightforward network connectivity between CP and KCS, and the fact that CP and KCS are the two smallest U.S. Class I railroads, we are confident in their commitment to implement their transaction without the service disruptions that have accompanied some past rail mergers.

For these reasons, GCT is voicing strong support for the combination of CP and KCS, because it will enhance competition, provide expanded options and drive efficiencies for customers of all sizes. GCT urges the STB to approve CP's acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.

VERIFICATION

I, DORON GROSMAN, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to submit this letter.

Executed on March 26, 2021.

A handwritten signature in dark ink, appearing to read "D. Grosman", is written over a white rectangular background.

Doron Grosman
President and CEO