

BEFORE THE SURFACE TRANSPORTATION BOARD

Finance Docket No. 36514

CANADIAN NATIONAL RAILWAY COMPANY, ET AL. – CONTROL –
KANSAS CITY SOUTHERN, ET AL.ENTERED
Office of Proceedings
July 15, 2021
Part of
Public Record**CANADIAN PACIFIC’S SUBMISSION OF
ADDITIONAL STATEMENTS OPPOSING APPROVAL OF VOTING TRUST**

Canadian Pacific Railway Limited and its U.S. rail carrier subsidiaries¹ are submitting for the Board’s consideration an additional 90 statements of shippers and other stakeholders. Of these letters, 83 express opposition to approval of Canadian National’s (“CN”) proposed voting trust, bringing the total number of letters opposing CN’s proposed voting trust to 295, and 7 express general opposition to the CN/KCS combination. For the Board’s convenience, we have provided an index of the statements below.

¹ Canadian Pacific Railway Limited, Canadian Pacific Railway Company, and their U.S. rail carrier subsidiaries Soo Line Railroad Company, Central Maine & Quebec Railway US Inc., Dakota, Minnesota & Eastern Railroad Corporation, and Delaware and Hudson Railway Company, Inc. (collectively “Canadian Pacific” or “CP”).

Canadian Pacific appreciates the Board's attention to this matter.

Respectfully submitted,



David L. Meyer

LAW OFFICE OF DAVID L. MEYER

1105 S Street NW

Washington, D.C. 20009

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Telephone: (202) 294-1399

Sophia A. Vandergrift

SULLIVAN & CROMWELL LLP

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Jeffrey J. Ellis

Canadian Pacific

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Telephone: (888) 333-6370

Attorneys for Canadian Pacific

June 28, 2021

INDEX OF STATEMENTS OPPOSING CN/KCS VOTING TRUST

Entity

ALC Companies Inc.
ALCT
Arkansas House of Representatives, District 10
Avancer International Freight Systems
Benga Mining Limited
BLE&T CPR-US/Metra North/Indiana Southern/DM&E
General Committee of Adjustment
Caravan Supply Chain Inc.
Cartersville Elevator Inc.
Ceres Global AG Corp.
City of Country Club Hill, IL
City of Markham, IL
City of Quitman, MS
Clarke County Chamber of Commerce
Continental Cement Company LLC
Cridlands Cartage Ltd.
Cypress Concrete Ltd.
DeWitt County Board Member
DeWitt County Sheriff
Distribution Center of Minnesota
Dragonfly Properties Limited
ECO-AQUATECH
Econo Group
Fargo Transportation Services Limited
Farmward Cooperative
Fessenden Co-operative Association
Ford County Board Member, District 3
Forest Specialties LLC
Former North Dakota State Legislator
Former Oklahoma Legislator House Dist. 65
Gardewine Group Inc.
GDI Services Inc.
Global Food and Ingredients Inc.
Goldstar Trucking Ltd.

Witness

Graham Johnson
Genevieve Longpr
Mike Holcomb
Benjamin Samuel
John Wallington
Peter Semenek

Barry O'Neill
Robert Weiner
Robert Day
James W. Ford
Roger Agpawa
Eddie Fulton
Judy Holifield
Carrie Jenks
John Cridland
Troy Williams
Nathan Ennis
Mike Walker
Tom VanElsberg
Sean Winstanley
Mohammed Docrat
Goldy Singh
Ken Veerman
Craig Hebrink
Mark Hovland
Chase M. McCall
Keith J. Cekalla
Jim Grueneich
Richard Scooter Park
Jorden Kehler
Rick Aiello
Soudeh Rahimi
Mohamed El-Turk

Entity

Government of New Brunswick, Canada
GX Transport
Hamilton Steel Logistics Inc.
HCL Logistics²
Heritage Electric Ltd.
J.L. Priest Inc.
JM Grain, Inc.
Katoen Natie Gulf Coast Inc.
Kensal Farmers Elevator Company
Kevin Hoyer
Kirkeide Northland Bean and Seed Co., Inc.
LBCO Contracting Ltd.
Luthi Grains Inc.
Maine State Chamber of Commerce
Medline Canada
Minnesota Grain and Feed Association
Mosher's
Mutual Transportation Services Inc.
National Salvage
North Dakota Grain Dealers Association
Ottawa Real Estate & Insurance
Pleasant River Lumber
RAM Environmental Response Ltd.
Red River Energy, LLC
Renewable Products Marketing Group
Rocanda Enterprises and Rocanda USA
SEI Specialized Exports Inc.
Shah Trading Company Ltd.
Sharp Base Shipping and Transport (Canada) Ltd.
Silverado Industries Inc.
Slimdor Contracting Ltd.
SMART Transportation Division General Committee of
Adjustment 049

Witness

Blaine Higgs
Dan Colagiacomo
Navneet Vig
Mike Pullam
Cathey Dahl
Richard Priest
Justin Flaten
Frank Vingerhoets
Chris Mashek
Kevin Hoyer
Joel Schimke
Fernando Nogueira
Travis Taylor
Dana F. Connors
Mireille Bourgault
Laura Lemke
Kevin Mosher
Chris Chapin
Quintin Pike
Stu Letcher
Derek McRitchie
Steve Banahan
Lanny Coombs
Jay Sommers
Douglas Punke
Jesse Regier
Ryan M. Kram
Baba Shah
Ron Law
Chase Thielen
Joe Berard
Richard D. Lee

² HCL Logistics also retracts its letter of support for approval of CN's voting trust.

Entity

SMART Transportation Division General Committee of
Adjustment 457

SMART Transportation Division – Kansas, Missouri,
Louisiana, Texas, Mississippi and Illinois

Stalite Lightweight Aggregate

Standard Mechanical Systems Limited

TCRC Division 954

The Arthur Companies

Tradco, Inc.

Transport Procal Inc.

Tubular Transport & Logistics

TYT Group

Unifor Local 101-R

Vicinity Trucking

Village of Dolton, IL

Village of Matteson, IL

Village of Richton Park, IL

Village of Robbins, IL

West-Can Seal Coating, Inc.

WestX Logistics Ltd.

Witness

S.A. Habjan

Ty Dragoo, Jason Hayden,
Kamron Saunders, Robert Guy,
Chris Christianson, Thomas
Carpenter

Thomas R. Harvell

Brian Bialczyk

Veronica Linkletter

Kevin Karel

Federico Gonzalez

Jacques Boileau

Justin Glasser

Patrick Turcotte

Rick Raso

Jake Cridland

Tiffany Henryard

Sheila Chalmers-Currin

Rick Reinbold

Darren E. Bryant

Matthew Arnill

Rick Pannu

LETTERS OPPOSING CN/KCS COMBINATION**Entity**

Berry Pallets Inc.

Bond Construction

Interstate Asphalt

Landmark Countryside Cooperative

Lee Container

Minnesota Northern Railroad

North Dakota State Representative

Witness

Richard Berry

Richard Bond

Brian A. Inniger

Josh Grunnet

Jay Dillard

Jason Bierwerth

Mike Brandenburg

CERTIFICATE OF SERVICE

I hereby certify that I have caused the foregoing Canadian Pacific's Submission of Additional Statements Opposing Approval of Voting Trust to be served electronically or by first class mail, postage pre- paid, on all parties of record in this proceeding.

/s/ Sonia Gupta

Sonia Gupta

June 28, 2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

ALC Companies Inc.

I am writing to express ALC Companies Inc. perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a

precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Graham Johnson -

cc: All Parties of Record



Letter to STB commenting on CN Trust Proposal

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express ALCT, perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the

consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

The Board's mandate to consider the public interest when it decides whether to allow a voting trust to be used cannot mean that it must let the railroad with the most cash predetermine the outcome of the regulatory process. The extra billions of dollars CN has offered have given KCS's board of directors no choice but to switch sides and accept CN's offer, but the fact that KCS has required CN to use a voting trust in order to close its transaction shows that KCS understands the difficult regulatory issues that CN's proposal raises. In these circumstances we do not see any public interest benefit to the use of a trust – all it does is get KCS's shareholders consideration without regard to the regulatory risks being imposed on the public interest. Nothing would prevent KCS and its shareholders from deciding to pursue the proposed CN/KCS transaction without the need for CN to use a voting trust. Rejecting the proposed voting trust and allowing KCS to consider whether CN's proposed transaction could in fact be approved by the STB is a better way for KCS and its shareholders to participate in the decision about what path forward for this important railroad is superior.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Geneviève Longpré

Geneviève Longpré, V-P finances



Créateurs de solutions

200, MacDonald, bureau 200 Saint-Jean-sur-Richelieu, Q1, J3B 8J5 www.alct.ca

CONSEILLERS EN TRANSPORT
DE TOUT GENRE

Routiers, Maritime, ferroviaire et aérien



REPRESENTATIVE

Mike Holcomb

9108 Sulphur Springs Road
Pine Bluff, Arkansas 71603-0904

870-489-7177 Cell

mike.holcomb@arkansashouse.org

DISTRICT 10

Counties:

Part Jefferson
Part Cleveland
Part Drew
Part Grant
Part Lincoln

COMMITTEES:

Chairperson,
Public Transportation
City, County and Local Affairs
Planning Subcommittee

Rules

Joint Budget
2nd Alternate,
Arkansas Legislative Council



STATE OF ARKANSAS

House of Representatives

June 24, 2021

Ms. Cynthia T. Brown
Chief
Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing regarding Canadian National's (CN's) proposed voting trust in connection with its acquisition of Kansas City Southern (KCS). The plan is to adopt a more cautious approach to CN's proposed voting trust. After which, the Surface Transportation Board (STB) will determine if this trust is in the public's best interest.

As the chairman of the Arkansas House Committee on Public Transportation, I believe the use of a trust in this proceeding will do little in favor of the public interest and that a CN-KCS merger will hurt Arkansas-based shippers and limit competition.

Specifically, a CN-KCS merger will reduce the number of independent routing options from four to three between the Midwest and the Gulf Coast. Because CN and KCS currently compete assertively, combining the two networks would decrease competition and leave shippers in Arkansas in a vulnerable position to price hikes and low-quality service. Furthermore, the voting trust proposal by CN will burden a great debt to pay for KCS, which could lead to harmful price hikes for Arkansas customers post-merger.

Ms. Brown
6/24/2021
Page 2

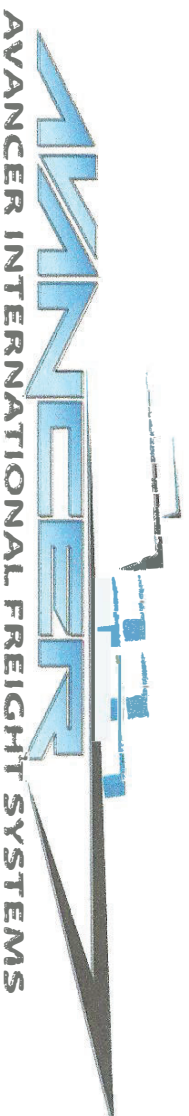
It is my hope that the STB will reject CN's voting trust and explain the concerns listed above that are shared by many. Until then, I cannot support a CN-KCS combination.

Sincerely,

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

Mike Holcomb
State Representative
District 10

MH/bbd



Date: 24 June 2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown Chief,
Section of Administration, Office of Proceedings
Surface Transportation Board 395 E Street S.W. Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown,

Avancer IFS is a Freight Forwarder catering to many clients involved in shipping material procured from USA uses the various rail network services for domestic and cross border movements.

I am writing to express AVANCER IFS perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much



more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted

Benjamin Samuel
Business Development Manager
AVANCER International Freight Systems
2- 42 Keefer Court, Hamilton
Ontario, Canada – L8E 4V4

A handwritten signature in blue ink, appearing to read "Benjamin Samuel", is written over a horizontal line.

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

My name is John Wallington, CEO of Benga Mining Limited, I am writing to express Benga's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

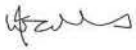
In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

John Wallington, CEO

Benga Mining Limited



cc: All Parties of Record

BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND TRAINMEN

GENERAL COMMITTEE OF ADJUSTMENT
CPR-US/METRA NORTH/INDIANA SOUTHERN RR/DM&E
125 E. Lake St., Suite 302 • Bloomington, IL 61808



Phone: 630.893.2200
Fax: 630.893.2229
E-mail: chairman@bletga290.org

NICK MUGAVERO
1st Vice Chairman

JOE RAINWATER
2nd Vice Chairman

KYLE DONZE
3rd Vice Chairman

PAUL DINAUER
Secretary Treasurer

PETER SEMENEK
General Chairman

SENT VIA ELECTRONIC FILING

June 28, 2021

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: STB Docket No. FD 36514 – Canadian National Railway – Control – Kansas City Southern

Dear Madam,

As the Chairman of the BLE&T CPR-US / Metra North / Indiana Southern / DM&E General Committee of Adjustment, I represent Locomotive Engineers on the SOO Line Railway and Locomotive Engineers, Conductors and Trainman on the DM&E (South) Railroad.

I am writing to communicate my position on behalf of the employees of the above railways whom I represent, and to outline the reasons I am urging the STB to reject the proposed CN voting trust.

The approval of the CN voting trust by the STB will adversely affect both our SOO and DM&E-South Engineers and Trainmen. In addition, it will probably set off a round of mergers that will harm the railway industry. Additionally, it will harm employees of both the KCS and CN by saddling CN with considerable debt, a very tragic outcome if the CN transaction ultimately fails the regulatory test. CN has publicly stated they intend on carrying significant additional debt of approximately \$19B, in addition to their current debt of \$10B, and KCS' current debt of \$3.8B. As history of the US rail industry has shown, it is reasonable to expect that such a reckless obligation will result in necessary maintenance and infrastructure improvements being deferred, and that will negatively affect employees, shippers, and most importantly, public safety.

The CN/KCS transaction (as opposed to a CP/KCS merger) is the opposite of an end-to-end merger and would be anti-competitive due to the overlap of existing rail lines/affected customers. If the CN voting trust and proposed merger were granted approval, job losses on either CN or KCS are

expected soon thereafter because ultimately the transaction would require either a sale or abandonment of duplicative rail lines in addition to what CN has already announced.

CN already has a high-capacity, direct mainline route from Chicago, IL to New Orleans, LA. A CN/KCS merger would produce parallel routes. By comparison, CPR extends south only as far as Kansas City, Missouri, CPR's only connection with KCS, where both carriers operate jointly under a joint agency agreement. A CP/KCS merger would maintain and increase the competition currently in place over the KCS territory by allowing shippers a choice of service options. The CN/KCS transaction is just the opposite and would be anti-competitive. The consequences for BLE&T employees I represent would be uncertain, adverse, and certainly contrary to the public interest.

Accordingly, for the reasons described above, I encourage the STB to thoroughly consider the implications on this proposed transaction. Consequently, on behalf of the BLE&T members this General Committee of Adjustment represents, I urge the Board to reject CN's motion to approve its proposed voting trust.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Peter Semenek", with a long horizontal flourish extending to the right.

Peter Semenek
BLE&T General Chairman

cc: Parties of record

BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND TRAINMEN

GENERAL COMMITTEE OF ADJUSTMENT
CPR-US/METRA NORTH/INDIANA SOUTHERN RR/DM&E
125 E. Lake St., Suite 302 • Bloomington, IL 60108



Phone: 630.893.2200
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E-mail: chairman@bletgc290.org

NICK MUGAVERO
1st Vice Chairman

JOE RAINWATER
2nd Vice Chairman

KYLE DONZE
3rd Vice Chairman

PAUL DINAUER
Secretary Treasurer

PETER SEMENEK
General Chairman

Sent via Electronic Filing

EMPLOYEE PETITION

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

**Re: STB Docket No. FD 36514 – Canadian National Railway – Control – Kansas City
Southern**

Please find attached signed Petition Forms that employees/members of the Dakota, Minnesota and Eastern (DM&E South) have signed and forwarded to me, requesting that on their behalf I file with the Surface Transportation Board in regards to STB **Docket No. FD 36514** confirming they **OPPOSE** the **CN VOTING TRUST**

Respectfully Submitted,

Pete Semenek
BLET General Chairman

cc: Parties of record

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: *STB Docket No. FD 36514 – Canadian National Railway – Control – Kansas City Southern*

Accordingly, for the reasons described above the undersigned parties confirm that I/We have signed this petition in good faith, and encourage the STB to thoroughly consider the implications and reject CN's motion to approve its proposed voting trust and to reject this proposed transaction:

[illegible]

PETITION

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Sent via Electronic Filing

Re: STB Docket No. FD 36514 - Canadian National Railway - Control - Kansas City Southern

Dear Madam,

Accordingly, for the reasons described above the undersigned parties confirm that I/We have signed this petition in good faith, and encourage the STB to thoroughly consider the implications and reject CN's motion to approve its proposed voting trust and to reject this proposed transaction:

Location:	Printed Name:	Position:	Date:	Signature:
Nahant	Andrew Beggs	Assistant Engineer	6/25/21	
Nahant	Andrew Olson	Engineer	6/25/21	
Nahant	Jerrod Parker	Engineer	6/25/21	
Ottumwa	Taylor Makris	Conductor Trainee	6/25/21	
Nahant	Ryan Hillery	Engineer	6/25/21	
Nahant	Jasch Faber	Engineer	6-26-21	
Nahant	Taylor Stahl	Conductor	6-26-21	
Nahant	John P. Spensley	Assist Engineer	6-26-21	
Nahant	Ken Smith	Loco Engineer	6/26/21	
Nahant	Rob McKee	Engineer	6/26/21	
Nahant	Tom Hayschick	Conductor	6-26-21	
Nahant	Edward Thering	Engineer	6-26-21	
Nahant	Austin Sargent	Conductor	6-26-21	
Nahant	Justin Lytle	Engineer	6-26-21	
Nahant	TYLER NEPTUNE	CONDUCTOR	6-26-21	
Nahant	Jason Chelwin	Engineer	6-26-21	
Nahant	Justin Eddis	Engineer	6-26-21	
Nahant	Anthony Cruciani	Engineer	6-26-21	
Nahant	Haron Cady	Engineer	6-26-21	
Nahant	Russell Newberry	Engineer	6-26-21	
Nahant	Doug Stortland	Conductor	6-26-21	
Nahant	Ben French	Engineer	6-26-21	
Nahant	Josh Freed	CONDUCTOR	6-26-21	
Nahant	Sam Sexton	Engineer	6-26-21	
Nahant	Zach Westfall	Conductor	6-26-21	
Nahant	Jana Ross	conductor	6-26-21	
Nahant	EDHART ROSALES	Eng	6-26-21	
Nahant	Justin Debow	Conductor	6-26-21	
Nahant	Omara Whitley	Engineer	6-26-21	
Nahant	Thomas Riknie	Conductor	6/26/21	
Ottumwa	Jarrod Hatfield	Cond. Trainee	6/27/21	

EMPLOYEE PETITION

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Sent via Electronic Filing

Re: *STB Docket No. FD 36514 - Canadian National Railway - Control - Kansas City
Southern*

Please find attached signed Petition Forms that employees/members of the DM&E (South)
Railroad have signed and forwarded to me, requesting that I on their behalf file with the Surface
Transportation Board in regards to *STB Docket No. FD 36514* confirming they **OPPOSE** the
CN VOTING TRUST

Respectfully Submitted,

Location	Printed Name	Position	Date	Signature
Nahant	Mark Alley	conductor	6-27-21	Mark Alley
Nahant	Bryan Horton	conductor	6-27-21	Bryan Horton
Nahant	Jason Butler	Engineer	6-27-21	Jason Butler
Nahant	Wes Brandenburg	Engineer	6-27-21	Wes Brandenburg
Nahant	Greg Zinke	Engineer	6-27-21	Greg Zinke
Nahant	Joe Garrison	Engineer	6-27-21	Joe Garrison
Nahant	Bret Spranger	conductor	6-27-21	Bret Spranger
Nahant	Chad Muntz	Engineer	6-27-21	Chad Muntz
Nahant	Peter Peter	Engineer	6-27-21	Peter Peter



caravansupplychain.com

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express Caravan Supply Chain Inc.'s perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we



caravansupplychain.com

do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Barry O'Neill, June 21/21

Barry O'Neill, Vice President, Owner, Caravan Supply Chain Inc.

cc: All Parties of Record



Families Working Together

Rockwell - 641-822-4550 ♦ Nora Springs - 641-749-2584 ♦ Mason City - 641-421-1124

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

This letter originates from the Cartersville Elevator Inc, a small family-owned business since 1967. We have used CP services at multiple locations on and off throughout our business tenure. Most recently, finding destinations and origins for our grain and fertilizer portions of our business has been difficult. We are excited for the opportunities that we believe would generate from the KCS. These opportunities are vital to our current business and also projected expansion of our transload business.

I am writing to express Cartersville Elevator Inc's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all

that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

The Board's mandate to consider the public interest when it decides whether to allow a voting trust to be used cannot mean that it must let the railroad with the most cash predetermine the outcome of the regulatory process. The extra billions of dollars CN has offered have given KCS's board of directors no choice but to switch sides and accept CN's offer, but the fact that KCS has required CN to use a voting trust in order to close its transaction shows that KCS understands the difficult regulatory issues that CN's proposal raises. In these circumstances we do not see any public interest benefit to the use of a trust – all it does is get KCS's shareholders consideration without regard to the regulatory risks being imposed on the public interest. Nothing would prevent KCS and its shareholders from deciding to pursue the proposed CN/KCS transaction without the need for CN to use a voting trust. Rejecting the proposed voting trust and allowing KCS to consider whether CN's proposed transaction could in fact be approved by the STB is a better way for KCS and its shareholders to participate in the decision about what path forward for this important railroad is superior.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Robert Weiner – Owner/Manager

A handwritten signature in dark ink, appearing to read 'R Weiner', written over a horizontal line.

6-23-21

cc: All Parties of Record



701 Xenia Avenue South, Suite 400
Golden Valley, MN 55416
(952) 746-6800
www.ceresglobalagcorp.com

June 28, 2021

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

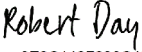
Dear Ms. Brown:

I am writing to express Ceres Global Ag Corp's ("Ceres") perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." It is Ceres' view that the use of a voting trust in this instance would not be in the public interest.

Ceres has not yet formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

CN's proposed acquisition of control of KCS raises serious questions concerning its potential effect on rail competition and the corresponding impacts that effect will have on various stakeholders including shippers, customers and consumers that rely on efficient delivery of freight by rail. Ceres believes that a proper evaluation of these complex issues is best undertaken and completed prior to the proposed acquisition rather than permitting CN to use a voting trust to complete its acquisition first and have it reviewed later.

Respectfully submitted,

DocuSigned by:

9E3C142F230C432...

Robert Day
Chief Executive Officer and President
Ceres Global Ag Corp.

cc: All Parties of Record

4200 Main Street
Country Club Hills, IL 60478

(708) 798-2616
Fax: (708) 798-7352



JUNE 28, 2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

On behalf of the City of Country Club Hills which is located along Canadian National (CN) Railway's line in Illinois, I'm writing to express my view on CN's proposed Voting Trust Agreement in connection with its proposed acquisition of Kansas City Southern (KCS). I am concerned about the potential burdens that CN's increased freight rail traffic will have on Country Club Hills, but currently, no specific information is being shared by regulators. Until much more information is provided regarding local impact, I am writing to express our community's view that CN's proposed use of a voting trust would not be in the public interest.

Illinois has some of the most congested choke points for train traffic in North America. Congestion makes life worse for our residents by threatening public safety by delaying ambulances, fire trucks, school buses and general traffic flow on local streets and highways at grade level. If a merger between CN and KCS is now permitted, we expect it will make the congestion problems in our community substantially worse. In addition, a CN/KCS transaction would cause increases in noise level for residents living near the tracks and increased environmental impacts on local communities for years to come. Undoubtedly, these many harms to the public interest raise serious questions about whether a CN/KCS transaction could pass muster under the 2001 Major Merger Rules.

The Board will have to study the matter very carefully. In the meantime, though, it would be bad policy to let CN complete its acquisition before that review takes place. Accordingly, we urge the Board to reject CN's proposed voting trust and decline to put ownership of KCS shares in the hands of CN during what is bound to be a lengthy and serious review process. Allowing CN to close KCS into trust would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the new merger rules. Simply put, the Board does not need to play Russian Roulette with the U.S. rail network. It can deny CN's voting trust and let CN convince the Board that the proposed transaction succeeds on the merits.

Respectfully submitted,

A large, stylized handwritten signature in black ink, which appears to read "James W. Ford".

Mayor James W. Ford



Phone: 708.331.4905

Fax: 708.331.8667

Police: 708.331.2171

ROGER A. AGPAWA

Mayor

JUNE 28, 2021

LESLIE TRIMUEL

City Clerk

BELINDA RICHARDSON

City Treasurer

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

On behalf of the City of Markham which is located along Canadian National (CN) Railway's line in Illinois, I'm writing to express my view on CN's proposed Voting Trust Agreement in connection with its proposed acquisition of Kansas City Southern (KCS). I am concerned about the potential burdens that CN's increased freight rail traffic will have on City of Markham, but currently, no specific information is being shared by regulators. Until much more information is provided regarding local impact, I am writing to express our community's view that CN's proposed use of a voting trust would not be in the public interest.

Illinois has some of the most congested choke points for train traffic in North America. Congestion makes life worse for our residents by threatening public safety by delaying ambulances, fire trucks, school buses and general traffic flow on local streets and highways at grade level. If a merger between CN and KCS is now permitted, we expect it will make the congestion problems in our community substantially worse. In addition, a CN/KCS transaction would cause increases in noise level for residents living near the tracks and increased environmental impacts on local communities for years to come. Undoubtedly, these many harms to the public interest raise serious questions about whether a CN/KCS transaction could pass muster under the 2001 Major Merger Rules.

The Board will have to study the matter very carefully. In the meantime, though, it would be bad policy to let CN complete its acquisition before that review takes place. Accordingly, we urge the Board to reject CN's proposed voting trust and decline to put ownership of KCS shares in the hands of CN during what is bound to be a lengthy and serious review process. Allowing CN to close KCS into trust would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the new merger rules. Simply put, the Board does not need to play Russian Roulette with the U.S. rail network. It can deny CN's voting trust and let CN convince the Board that the proposed transaction succeeds on the merits.

Respectfully submitted,

-Cc: All Parties of Record

ALDERMAN:
HARRY WHEAT III, AT-LARGE
JOE BROOKS, WARD 1
BRIDGETT M. PETERS, WARD 2
RONALD HOLLOWAY, WARD 3
JAMES BUCHANAN, WARD 4



EDDIE FULTON, MAYOR

LISA HARRIS, CITY CLERK

JUNE 14TH, 2021

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

City of Quitman, MS Mayor Eddie Fulton, and Board of Aldermen concern for maintaining competition that could be lost and its effect on the Ports of Gulfport, Pascagoula, and Mobile. In general, the interest in the U.S. rail network and the transaction.

I am writing to express the City of Quitman's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." I am writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

Visit Our Website: www.ci.quitman.ms.us
POST OFFICE BOX 16 • 101 E. CHURCH STREET • QUITMAN, MISSISSIPPI 39355-0016
PHONE: 601.776.3728 • FAX: 601.776.4016
EMAIL: info@ci.quitman.ms.us

"A Great Place To Live and Visit"

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new merger rules is exactly why the Board should not allow CN to use of a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

We think that the costs of allowing a voting trust far to outweigh the benefits. We see no real benefits, other than allowing KCS's shareholders to collect billions of dollars without having to bear the burdens and risks of CN and KCS trying to persuade the Board that their deal is in the public interest. That does not seem to be a public benefit at all. Without prejudging how that assessment will turn out, if CN is right that its proposal is great for competition and all stakeholders, there ought not be such a great risk for KCS, shareholders either, and no need for a voting trust.

The costs of allowing a voting trust here, however, are quite significant. In addition to the concern about establishing a precedent for other mergers and constraining the Board's first-ever application of the new merger rules, we see a number of realistic concerns that arise immediately if CN were allowed to use a trust.

First, from our perspective, the most significant cost associated with allowing CN to use a voting trust to complete its acquisition of KCS is the ***adverse impact that would have on existing competition between KCS and CN.***

We are familiar with the rail service offerings of CN and KCS, which are broadly parallel across much of KCS's service territory on the south-central United States. Our experience in rail transportation markets confirms that competition between two railroads serving the same points, corridors and regions manifests itself not just where they serve the same specific shipper facilities. Competing railroads like CN and KCS also provide alternative solutions for shipments of the same commodities in the same geographic areas, thereby disciplining one another even where they are not head-to-head alternatives for the same shipper. For example,

they serve alternative transloads, alternative grain terminals, alternative receivers, or shippers of the same commodity across the regions they both serve, like much of Mississippi, much of Louisiana, Omaha/Council Bluffs, St. Louis, Springfield, and southwestern Illinois.

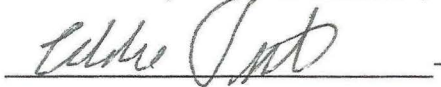
CN's proposed control of KCS would of course do away with all this competition completely. It may be possible to remedy some of it with targeted access for other rail carriers, but without an independent KCS it would be impossible to remedy all the harm. Under these circumstances, we would imagine that the Board would not approve CN's proposed control transaction under the new merger rules, which emphasize "enhanced" rather than reduced competition.

But some of the harm would come immediately if CN were allowed to acquire KCS's stock and hold it in a voting trust. As we understand how voting trusts work, CN would receive all the benefits of owning KCS – including dividends from KCS's profits – even though KCS's management continued to direct the day-to-day functions of that railroad. As a market participant, we cannot imagine that competition between CN and KCS would remain robust if CN knew it would earn profits when KCS was able to win business despite charging higher rates or offering worse service. Why would either of them sharpen their pencils against one another if the profits ended up the same place: with CN? Ultimately, we agree with the U.S. Department of Justice's observation that "threats to competition would be present immediately after the CN voting trust is consummated."

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust. The fact is that the Board does not need to play Russian Roulette with the U.S. rail network. It can deny CN's proposed voting trust and let CN proceed to convince the Board that its proposal offers compelling public benefits that cannot be achieved any other way, and that the super-premium CN is paying to KCS's shareholders is not contrary to the public interest. Only then should CN be allowed to spend so many billions to acquire KCS.

Respectfully submitted,

Eddie Fulton, Mayor of Quitman, MS

A handwritten signature in dark ink, appearing to read "Eddie Fulton", is written over a horizontal line.

Cc: All Parties of Record



P. O. Box 172 • Quitman, Mississippi 39355
Phone: 601-776-5701 • FAX: 601-776-5745
E-Mail: clarkechamber@att.net • www.visitclarkecounty.com

JUNE 24TH, 2021

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

Clarke County Chamber representing the Five Municipalities in Clarke County and those residing in the county concern for maintaining competition that could be lost and its effect on the Ports of Gulfport, Pascagoula, and Mobile. In general, the interest in the U.S. rail network and the transaction.

I am writing to express Clarke County Chamber's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." I am writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new merger rules is exactly why the Board should not allow CN to

use of a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

We think that the costs of allowing a voting trust far to outweigh the benefits. We see no real benefits, other than allowing KCS's shareholders to collect billions of dollars without having to bear the burdens and risks of CN and KCS trying to persuade the Board that their deal is in the public interest. That does not seem to be a public benefit at all. Without prejudging how that assessment will turn out, if CN is right that its proposal is great for competition and all stakeholders, there ought not be such a great risk for KCS, shareholders either, and no need for a voting trust.

The costs of allowing a voting trust here, however, are quite significant. In addition to the concern about establishing a precedent for other mergers and constraining the Board's first-ever application of the new merger rules, we see a number of realistic concerns that arise immediately if CN were allowed to use a trust.

First, from our perspective, the most significant cost associated with allowing CN to use a voting trust to complete its acquisition of KCS is the ***adverse impact that would have on existing competition between KCS and CN.***

We are familiar with the rail service offerings of CN and KCS, which are broadly parallel across much of KCS's service territory on the south-central United States. Our experience in rail transportation markets confirms that competition between two railroads serving the same points, corridors and regions manifests itself not just where they serve the same specific shipper facilities. Competing railroads like CN and KCS also provide alternative solutions for shipments of the same commodities in the same geographic areas, thereby disciplining one another even where they are not head-to-head alternatives for the same shipper. For example, they serve alternative transloads, alternative grain terminals, alternative receivers, or shippers of the same commodity across the regions they both serve, like much of Mississippi, much of Louisiana, Omaha/Council Bluffs, St. Louis, Springfield, and southwestern Illinois.

CN's proposed control of KCS would of course do away with all this competition completely. It may be possible to remedy some of it with targeted access for other rail carriers, but without an independent KCS it would be impossible to remedy all the harm. Under these circumstances, we would imagine that the Board would not approve CN's proposed control transaction under the new merger rules, which emphasize "enhanced" rather than reduced competition.

But some of the harm would come immediately if CN were allowed to acquire KCS's stock and hold it in a voting trust. As we understand how voting trusts work, CN would receive all the benefits of owning KCS – including dividends from KCS's profits – even though KCS's management continued to direct the day-to-day functions of that railroad. As a market participant, we cannot imagine that competition between CN and KCS would remain robust if CN knew it would earn profits when KCS was able to win business despite charging higher rates or offering worse service. Why would either of them sharpen their pencils against one another if the profits ended up the same place: with CN? Ultimately, we agree with the U.S. Department of Justice's observation that "threats to competition would be present immediately after the CN voting trust is consummated."

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust. The fact is that the Board does not need to play Russian Roulette with the U.S. rail network. It can deny CN's proposed voting trust and let CN proceed to convince the Board that its proposal offers compelling public benefits that cannot be achieved any other way, and that the super-premium CN is paying to KCS's shareholders is not contrary to the public interest. Only then should CN be allowed to spend so many billions to acquire KCS.

Respectfully submitted,

Judy Holifield, Clarke County Chamber Director

A handwritten signature in cursive script, reading "Judy Holifield", is written over a horizontal line.

Cc: All Parties of Record



Corporate Office:
16401 Swingley Ridge Road
Suite 610
Chesterfield, Missouri 63017
800-625-1144
FAX: 636-532-74454
Carrie.Jenks@continentalcement.com

Date: June 25, 2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

My name is Carrie Jenks and I am the Director of Logistics of Continental Cement Company LLC. We ship over 3000 carloads of cement annually from our Linwood IA plant to various destinations in the US.

I am writing to express Continental Cement Company LLC's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.



Corporate Office:
16401 Swingley Ridge Road
Suite 610
Chesterfield, Missouri 63017
800-625-1144
FAX: 636-532-74454
Carrie.Jenks@continentalcement.com

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,



Carrie Jenks

Director of Supply Chain
Continental Cement Company LLC

cc: All Parties of Record

By ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express Cridlands Cartage's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

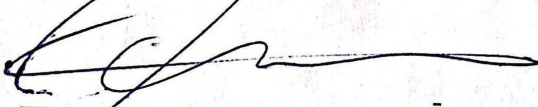
We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or

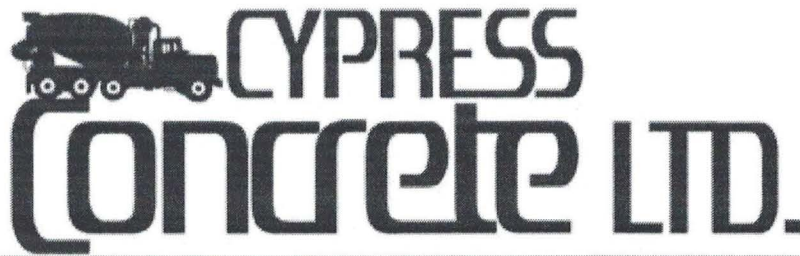
extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,
John Cridland

A handwritten signature in black ink, appearing to be "John Cridland", written over a horizontal line.

cc: All Parties of Record



Box 891 · 961 High St. W · Moose Jaw, Saskatchewan S6H 4P5 · Phone (306)692-1320 · Fax (306)693-6880

Letter to STB commenting on CN Trust Proposal

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

Cypress Concrete Ltd.

I am writing to express Cypress Concrete Ltd.'s perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use."

As a company that has been successfully transporting large portions of product (cement powder) through North American rail networks, we are writing to express our view that the use of a trust for a CN KCS merger under the 2001 Major Merger Rules would not be in the public interest.

We welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest"

and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so – and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules.

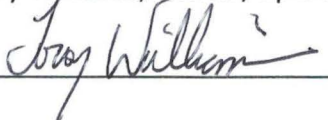
In addition, allowing CN to use a voting trust to complete its acquisition of KCS would eliminate the opportunity for ***KCS to be acquired by Canadian Pacific and the strong competitive benefits such a transaction would yield.***

A CP/KCS transaction promises to create new, better single-line routes from America's Heartland and Canada to the Gulf of Mexico. CN (via its 1998 acquisition of Illinois Central) already reaches the Gulf of Mexico. CN has a high-capacity mainline route straight from Chicago to New Orleans. CP, by contrast, has an underutilized route line that only goes as far as Kansas City. CP's only friendly connection at Kansas City is with KCS. Were CP and KCS allowed to combine, CP would have incentives to invest in this route via Kansas City, opening new competition against CN, BNSF and Union Pacific.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Troy Williams, Owner/Operator



cc: All Parties of Record

Letter to STB commenting on CN Trust Proposal

6/18/2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

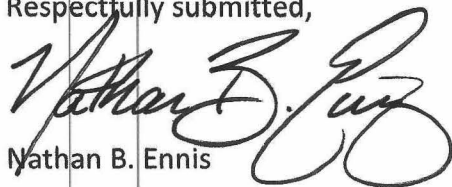
Dear Ms. Brown:

On behalf of the CLINTON, ILLINOIS which is located along Canadian National (CN) Railway's line in Illinois, I'm writing to express my view on CN's proposed Voting Trust Agreement in connection with its proposed acquisition of Kansas City Southern (KCS). I am concerned about the potential burdens that CN's increased freight rail traffic will have on Clinton, but currently, no specific information is being shared by regulators. Until much more information is provided regarding local impact, I am writing to express our community's view that CN's proposed use of a voting trust would not be in the public interest.

Illinois has some of the most congested choke points for train traffic in North America. Congestion makes life worse for our residents by threatening public safety by delaying ambulances, fire trucks, school buses and general traffic flow on local streets and highways at grade level. If a merger between CN and KCS is now permitted, we expect it will make the congestion problems in our community substantially worse. In addition, a CN/KCS transaction would cause increases in noise level for residents living near the tracks and increased environmental impacts on local communities for years to come. Undoubtedly, these many harms to the public interest raise serious questions about whether a CN/KCS transaction could pass muster under the 2001 Major Merger Rules.

The Board will have to study the matter very carefully. In the meantime, though, it would be bad policy to let CN complete its acquisition before that review takes place. Accordingly, we urge the Board to reject CN's proposed voting trust and decline to put ownership of KCS shares in the hands of CN during what is bound to be a lengthy and serious review process. Allowing CN to close KCS into trust would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the new merger rules. Simply put, the Board does not need to play Russian Roulette with the U.S. rail network. It can deny CN's voting trust and let CN convince the Board that the proposed transaction succeeds on the merits.

Respectfully submitted,



Nathan B. Ennis

-Cc: All Parties of Record

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

On behalf of the DeWitt County Sheriff's Office which is located along Canadian National (CN) Railway's line in Illinois, I'm writing to express my view on CN's proposed Voting Trust Agreement in connection with its proposed acquisition of Kansas City Southern (KCS). I am concerned about the burdens that CN's increased freight rail traffic will have on DeWitt County because of rail network congestion and am writing to express our community's view that CN's proposed use of a voting trust would not be in the public interest.

Illinois has some of the most congested choke points for train traffic in North America. Congestion makes life worse for our residents by threatening public safety by delaying ambulances, fire trucks, school buses and general traffic flow on local streets and highways at grade level. If a merger between CN and KCS is now permitted, we expect it will make the congestion problems in our community substantially worse. In addition, a CN/KCS transaction would cause increases in noise level for residents living near the tracks, and increased environmental impacts on local communities for years to come. Undoubtedly, these many harms to the public interest raise serious questions about whether a CN/KCS transaction could pass muster under the 2001 Major Merger Rules.

The Board will have to study the matter very carefully. In the meantime, though, it would be bad policy to let CN complete its acquisition before that review takes place. Accordingly, we urge the Board to reject CN's proposed voting trust and decline to put ownership of KCS shares in the hands of CN during what is bound to be a lengthy and serious review process. Allowing CN to close KCS into trust would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the new merger rules. Simply put, the Board does not need to play Russian Roulette with the U.S. rail network. It can deny CN's voting trust and let CN convince the Board that the proposed transaction succeeds on the merits.

Respectfully submitted,

Mike Walker
DeWitt County Sheriff

Cc: All Parties of Record

DISTRIBUTION CENTERS OF MINNESOTA, INC.

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

Distribution Centers of Minnesota Inc.
600 30th Ave NE
Minneapolis, MN 55418

I am writing to express Distribution Centers of Minnesota Inc perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year

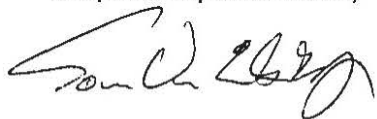
and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

The Board's mandate to consider the public interest when it decides whether to allow a voting trust to be used cannot mean that it must let the railroad with the most cash predetermine the outcome of the regulatory process. The extra billions of dollars CN has offered have given KCS's board of directors no choice but to switch sides and accept CN's offer, but the fact that KCS has required CN to use a voting trust in order to close its transaction shows that KCS understands the difficult regulatory issues that CN's proposal raises. In these circumstances we do not see any public interest benefit to the use of a trust – all it does is get KCS's shareholders consideration without regard to the regulatory risks being imposed on the public interest. Nothing would prevent KCS and its shareholders from deciding to pursue the proposed CN/KCS transaction without the need for CN to use a voting trust. Rejecting the proposed voting trust and allowing KCS to consider whether CN's proposed transaction could in fact be approved by the STB is a better way for KCS and its shareholders to participate in the decision about what path forward for this important railroad is superior.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

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

Tom VanElsberg

cc: All Parties of Record



DRAGONFLY PROPERTIES LIMITED

Every home has a story

dragonfly.properties2@gmail.com

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

My name is Sean Winstanley, and I am the Joint owner of a property rental and development company in Nova Scotia, Canada. As such, I rely heavily on my suppliers of lumber, plastics (window manufacturing), roofing shingles, and other construction and renovation materials to move at the best possible cost through the North American rail markets to our location. In fact, transportation costs and competitiveness are often points of conversation with suppliers as we look for new ways to get product to our rather remote area at a reasonable cost. We have historically been somewhat captive to CN rail options naturally; however, since the CP's acquisition of the rail line running into New Brunswick last year, we've been able to explore other options via their new access to the Port of Saint John NB. It is wonderful to have competitive options, which is why I am voicing my sincerest concerns with CN's attempt to buy the KCS. While I have not previously written, I fully support the CP's efforts to purchase the KCS as I see it as a very similar outcome as we've seen with their acquisition of the Central Maine and Quebec Railway i.e. creating new and exciting options for shippers to compete, particularly from the US Gulf Coast to Chicago and up into Canada. The CN's proposal will kill those competitive option for me, my suppliers, and all other shippers who yearn for more competition, not further amalgamation of railways that simply creates them 'redundancy' as CN have openly admitted.

Therefore, my view is that the use of a trust in this proceeding would not be in the public interest and I am strongly opposed to the use of a voting trust. I fear the impacts on the transportation costs to my business in the future. As I understand it, the STB is supposed to protect competition and I am urging you to do this for the best and brightest future for small to medium sized businesses like myself, up to and including the largest of businesses who would ultimately benefit by the choice the CP purchase would offer them versus the anti-competitive nature of CN's deal.

If you approve the trust, either the CN and KCS will not be able to actually come together after the full STB review so they will need to sell the company at a large loss, or if they do get approval, further consolidation will undoubtedly occur, only leading to a further reduction in options and competitiveness for shippers. The former will leave CN and its shareholders with an insurmountable debt (that they will have to pass on to their most captive of shippers no doubt). Who would be buying them for the money CN is paying after knowing that no other railway, other than CP, could likely complete the deal? The answer must be private equity who would never be willing to pay what CN is as they cannot take

advantage of the synergies CN or CP tout as the reason for paying such a premium. It is clear that CN is simply trying to terminate any chance of a CP competitive threat here, which should not be allowed.

Please make your decision in the interest of those who stand to lose or gain the most, not in favor of the company who simply pays the most. It is important to my business and thousands of other businesses who will be left to face the consequences. Please reject the CN's request for a voting trust and let them prove how they will overcome the anti-competitive nature of their acquisition. Our futures are in your hands and we trust you to do the right thing.

Respectfully submitted,

A handwritten signature in blue ink, appearing to be 'S. Winstanley', with a long horizontal stroke and a diagonal cross.

Sean Winstanley, Co- Owner
Dragonfly Properties Limited
5704 Little Harour road
Kings Head, Nova Scotia
B2H 5C4

cc: All Parties of Record



June 16, 2021

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

ECO-AQUATECH

I am writing to express ECO-AQUATECH's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

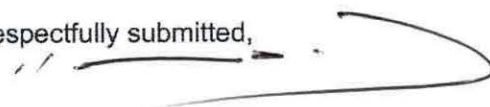
We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,


Mohammed Docrat

CANADA
(Quebec)
(Head
Office)

9625 Ignace, Unit H
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Tel.: +1.204.774.4177
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U.S.A.
(Minnesota)

19360 Hogan Ave.
Hastings, MN
55033
Tel.:
+1.800.278.9036
Fax: 866.580.4398



BY ELECTRONIC FILING

The Honorable Cynthia T. Brown

Chief, Section of Administration, Office of Proceedings

Surface Transportation Board

395 E Street S.W.

Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express Econo's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,


Goldy Singh

cc: All Parties of Record

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

My name is Ken Veerman and I am President of Fargo Transportation Services Limited, my business address is 5006 South Service Rd, Burlington, Ontario.

I am writing to express Fargo Transportation Services Limited perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a



precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Ken Veerman
President

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke, positioned over a solid horizontal line.

cc: All Parties of Record



FARMWARD

COOPERATIVE

Advancing farming for generations

June 28, 2021

Dear Surface Transportation Board,

I am writing to express my opposition to the proposed Canadian National (CN) and Kansas City Southern (KCS) merger. A CN-KCS merger would mean a reduction in competition, fewer options for shippers, and less commerce capacity for North America.

Under a CN-KCS merger, the third largest Class 1 railroad would be created – destabilizing the competitive balance in the North American rail industry. Shippers and communities will lose out through reduced options with fewer direct competitive routes, and states such as North Dakota, South Dakota, Minnesota, and Wisconsin will lose out on a new network of shipping options. Over 30 service lanes would shrink from 2-to-1 impacted, and there would be 30 lanes that go from three options to two.

If a CN voting trust is approved by the Surface Transportation Board (STB), then it could pave the way for further U.S. rail consolidation and megamergers within the industry. It would signal that even if there is substantial network overlap and more than 300 shippers would lose an option, you can close into a trust. Further, the U.S. Department of Justice (DOJ) has expressed concern and filed comments with the STB that reinforce the anti-competitive nature of a CN-KCS deal, “A CN-KCS transaction poses additional dangers to competition stemming from the potential elimination of direct, ‘parallel’ competition on routes served by both railroads, for example between Baton Rouge and New Orleans.”

In contrast, a Canadian Pacific (CP) and Kansas City Southern merger would enhance competition by creating new and stronger competitive options. A CP-KCS combination would create strong single-line competition against existing Class 1 routes and would remain the smallest of the six U.S. Class 1 railroads by revenue. Further, a CP-KCS combination is expected to create jobs across the combined network and achieve meaningful environmental benefits through efficiency and service improvements.

Due to the anti-competitive nature of the CN-KCS deal and the negative impact it would have on communities and shippers, I urge you to weigh in with the Surface Transportation Board and oppose the proposed Canadian National-Kansas City Southern merger.

Sincerely,

Craig Hebrink

Senior Vice President

Business office: 507.249.3196 or toll free 800.245.5819 ► ► Visit us online at www.farmward.net

Clements 507.692.2276 ● Comfrey 507.877.2441 ● Danube 320.826.2214 ● Morgan 507.249.3196 ● Morton 507.697.6113 ● Olivia 320.523.1811
Renville 320.329.8377 ● Sacred Heart 320.765.2726 ● Springfield 507.723.7350 ● Wabasso 507.342.5184 ● Wood Lake 507.485.3153

Fessenden Co-operative Association

Stations at: Fessenden, Carrington, Esmond,
Hamberg, and New Rockford

MARK HOVLAND, Manager
Phone 547-3291
Fax 547-3574

P.O. Box 126
900 S. Railway
Fessenden, North Dakota 58438

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

Fessenden Co-op Association is a local farmer owned grain and agronomy co-op located in central North Dakota. We handle many kinds of grains but primarily spring wheat, soybeans, corn, pinto beans, and black beans. We are served by CP Rail at 2 of our locations, Carrington and Fessenden. Combining CP & KSC would be much more beneficial to the members who own this co-op as we ship several thousand bags (cwt.) of edible beans into Mexico and southern points in the USA served by the KCS line. It would also provide us with more competitive markets into Mexico for corn, wheat, and soybeans. The CN-KSC combination does nothing for us.

I am writing to express Fessenden Co-op Association's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." I am writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new merger rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so – and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

We think that the costs of allowing a voting trust far outweigh the benefits. We see no real benefits, other than allowing KCS's shareholders to collect billions of dollars without having to bear the burdens and risks of CN and KCS trying to persuade the Board that their deal is in the public interest. That does not seem to be a public benefit at all. Without prejudging how that assessment will turn out, if CN is right that its proposal is great for competition and all stakeholders, there ought not be such a great risk for KCS's shareholders either, and no need for a voting trust.

The costs of allowing a voting trust here, however, are quite significant. In addition to the concern about establishing a precedent for other mergers and constraining the Board's first-ever application of the new merger rules, we see a number of realistic concerns that arise immediately if CN were allowed to use a trust.

First, from our perspective, the most significant cost associated with allowing CN to use a voting trust to complete its acquisition of KCS is the ***adverse impact that would have on existing competition between KCS and CN.***

We are familiar with the rail service offerings of CN and KCS, which are broadly parallel across much of KCS's service territory on the south central United States. Our experience in rail transportation markets confirms that competition between two railroads serving the same points, corridors and regions manifests itself not just where they serve the same specific shipper facilities. Competing railroads like CN and KCS also provide alternative solutions for shipments of the same commodities in the same geographic areas, thereby disciplining one another even where they are not head-to-head alternatives for the same shipper. For example,

they serve alternative transloads, alternative grain terminals, alternative receivers or shippers of the same commodity across the regions they both serve, like much of Mississippi, much of Louisiana, Omaha/Council Bluffs, St. Louis, Springfield, and southwestern Illinois.

CN's proposed control of KCS would, of course, do away with all of this competition completely. It may be possible to remedy some of it with targeted access for other rail carriers, but without an independent KCS it would be impossible to remedy all of the harm. Under these circumstances, we would imagine that the Board would not approve CN's proposed control transaction under the new merger rules, which emphasize "enhanced" rather than reduced competition.

But some of the harm would come immediately if CN were allowed to acquire KCS's stock and hold it in a voting trust. As we understand how voting trusts work, CN would receive all of the benefits of owning KCS – including dividends from KCS's profits – even though KCS's management continued to direct the day-to-day functions of that railroad. As a market participant, we cannot imagine that competition between CN and KCS would remain robust if CN knew it would earn profits when KCS was able to win business despite charging higher rates or offering worse service. Why would either of them sharpen their pencils against one another if the profits ended up in the same place: with CN? Ultimately, we agree with the U.S. Department of Justice's observation that "threats to competition would be present immediately after the CN voting trust is consummated."

Second, allowing CN to use a voting trust to complete its acquisition of KCS would eliminate the opportunity for *KCS to be acquired by Canadian Pacific and the strong competitive benefits such a transaction would yield.*

A CP/KCS transaction promises to create new, better single-line routes from America's Heartland and Canada to the Gulf of Mexico. CN (via its 1998 acquisition of Illinois Central) already reaches the Gulf of Mexico. CN has a high capacity mainline route straight from Chicago to New Orleans. CP, by contrast, has an underutilized route line that only goes as far as Kansas City. CP's only friendly connection at Kansas City is with KCS. Were CP and KCS allowed to combine, CP would have incentives to invest in this route via Kansas City, opening up new competition against CN, BNSF and Union Pacific.

Allowing CN to acquire all of KCS's stock as part of a voting trust transaction would kill this opportunity for enhanced competition. Not only that, it will leave CP and its U.S. network a shadow of a CN/KCS network. CN in the U.S. would be three times the size of CP in the U.S. This kind of competitive imbalance is bad for America's rail network, and we worry in particular about its implications for potential further consolidation.

Making matters worse, CN would get stronger by absorbing KCS's system, much of which is broadly parallel to CN's existing U.S. network. This implies rationalization of assets, not investment in new competitive routes. And it implies a loss of competitive options – both concrete multi-railroad access to individual shippers and more subtle benefits of having

multiple railroads near one another to serve as “geographically competitive” options for transload shipments, grain moving to alternate elevators/terminals, build-ins and build-outs, and other means.

We are aware that the Board would consider a proposed CN/KCS under the new merger rules, and therefore could condition it to try to protect competition or disallow the transaction entirely. But that is a reason *not to let CN use a voting trust*, so that there is no pre-judgment of the outcome of that first-ever new rules assessment, and no foreclosure of a potential CP/KCS transaction and all the competitive benefits it promises.

Third, in its Decision No. 3, the Board pointed to the fact that one aspect of the public interest it needed to consider was the potential *financial impact of a transaction on the “total fixed charges” and the “financial integrity” of the rail carriers involved*. The Board specifically noted cause for concern relating to CN’s proposal to issue over \$19 billion of new debt to finance its purchase of KCS, and the 45% price premium it was proposing to pay.

We share the concerns the Board noted, and believe these factors are compelling reasons why CN should not be able to use a voting trust to complete its purchase – spending all of this money and issuing all of this debt – unless and until the Board has completed its full assessment whether a CN/KCS transaction that would burden the railroad and its customers in this would be in the public interest.

We understand that CN has said it plans to try to demonstrate how its strong balance sheet and financial forecasts will allow it to earn a return on its investment in KCS, and to avoid financial hardship if it has to divest KCS. No matter what showing CN is able to make in this regard, in our view it cannot support a finding that it would be in the public interest to allow CN to buy KCS first and defend its acquisition later.

No matter how strong CN’s balance sheet might be, the huge price premium it is paying and massive debt burden will create immediate incentives for CN to extract more revenues from its existing customers. It won’t be able to do that with any of the merger “synergies” it plans for several years, so it will have incentives to do it through higher prices for CN’s current customers or less investment on CN’s network. These incentives arise whether or not CN ends up having to divest KCS.

In addition, if CN is allowed to use a voting trust and the Board ultimately denies CN’s application to control KCS, CN would have to divest KCS sometime in 2023. It is hard to imagine CN would be able to get a price for KCS anywhere close to what it agreed to pay. Its high premium seems designed to deny KCS to CP, and no other railroads would be willing (or able) to pay such a high price for KCS. In that scenario, CN would be saddled with massive amounts of debt and no merger synergies with which to recoup them. Even if CN could put forward an optimistic business plan that showed it could bear these burdens without financial disaster, what if the economic picture in 2023 were not so rosy? CN might have to sacrifice investment,

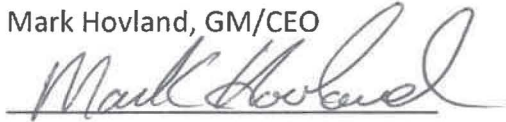
downgrade service levels, or jack up rates even more in order to overcome the burdens it took on.

* * *

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust. The fact is that the Board does not need to play Russian Roulette with the U.S. rail network. It can deny CN's proposed voting trust and let CN proceed to convince the Board that its proposal offers compelling public benefits that cannot be achieved any other way, and that the super-premium CN is paying to KCS's shareholders is not contrary to the public interest. Only then should CN be allowed to spend so many billions to acquire KCS.

Respectfully submitted,

Mark Hovland, GM/CEO

A handwritten signature in dark ink, appearing to read "Mark Hovland", is written over a horizontal line.

Cc: All Parties of Record

Ford County Board
200 W. State St., Rm. 101
Paxton, IL 60957

June 23, 2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

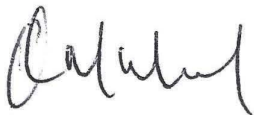
Dear Ms. Brown:

On behalf of the City of Gibson City which is located along Canadian National (CN) Railway's line in Illinois, I'm writing to express my view on CN's proposed Voting Trust Agreement in connection with its proposed acquisition of Kansas City Southern (KCS). I am concerned about the potential burdens that CN's increased freight rail traffic will have on Gibson City, but currently, no specific information is being shared by regulators. Until much more information is provided regarding local impact, I am writing to express our community's view that CN's proposed use of a voting trust would not be in the public interest.

Illinois has some of the most congested choke points for train traffic in North America. Congestion makes life worse for our residents by threatening public safety by delaying ambulances, fire trucks, school buses and general traffic flow on local streets and highways at grade level. If a merger between CN and KCS is now permitted, we expect it will make the congestion problems in our community substantially worse. In addition, a CN/KCS transaction would cause increases in noise level for residents living near the tracks and increased environmental impacts on local communities for years to come. Undoubtedly, these many harms to the public interest raise serious questions about whether a CN/KCS transaction could pass muster under the 2001 Major Merger Rules.

The Board will have to study the matter very carefully. In the meantime, though, it would be bad policy to let CN complete its acquisition before that review takes place. Accordingly, we urge the Board to reject CN's proposed voting trust and decline to put ownership of KCS shares in the hands of CN during what is bound to be a lengthy and serious review process. Allowing CN to close KCS into trust would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the new merger rules. Simply put, the Board does not need to play Russian Roulette with the U.S. rail network. It can deny CN's voting trust and let CN convince the Board that the proposed transaction succeeds on the merits.

Respectfully submitted,



Chase M. McCall
Ford County Board Member, District 3
cmccall@fordcounty.illinois.gov

BY ELECTRONIC FILING

Forest Specialties, LLC
4607 Humboldt Ave. N.
Minneapolis, MN 55412

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express Forest Specialties, LLC's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. We are writing to express our opinion that the use of a trust in this proceeding would not be in the public interest.

The fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules is critical. The Board has implied the intention of using much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

It is our belief that the Board should not allow any use of a voting trust, based on the 2001 Major Merger rules, by any party under its review and authority, and to complete an acquisition first and have it reviewed later. If a merger or acquisition is to take place, the Board should require any review to be completed and approved prior to control of the merged railroads being consolidated. In fact, there should be no outside influence by any party until such time that the Board has cleared the transaction and presented the final approval statement.

If the Board decides to approve the use of a voting trust for these types of transactions, it creates a precedent that would limit the Board's future disapproval of the transaction or the application of extensive conditions during the approval process. Voting trust should not be considered for these types of important merger transactions!

The Board's mandate to consider the public interest should be the ONLY consideration. As such, voting trusts must not be allowed to be used in these types of transactions since there use serves NO public interest whatsoever. The use of a Voting Trust, based on 2001 Major Merger rules, works against public interest and only serves to limit the review process, or put further strain on the railroad being acquired.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Keith J. Cekalla

A handwritten signature in black ink, appearing to read "K. J. Cekalla", written over a horizontal line.

cc: All Parties of Record

Letter to STB commenting on CN Trust Proposal

Jim Grueneich
72 East Lake Drive
Ellendale, ND 58436

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

As a former North Dakota state legislator and employee of a large steel company which uses North Dakota railroads to receive materials in the southeast/central part of the State, I realize how important access to rail services for shipping and receiving is to the livelihood of our State

As you are no doubt aware, Kansas City Southern (KCS) recently dissolved its merger agreement with Canadian Pacific (CP). KCS now plans to enter into a new agreement with Canadian Northern (CN). This is concerning to residents of North Dakota particularly in light of the fact CN intends to acquire KCS via a voting trust. If CN is allowed to use a voting trust to complete its acquisition, the American rail industry will be harmed.

The most important cause for alarm is the adverse impact of the CN acquisition on existing competition between KCS and CN. The Board's 2001 merger rules place a premium on enhanced competition. KCS and CN run broadly parallel lines across much of KCS territory in the south-central region of the United States. It is nearly impossible to imagine a merger between these two lines leading to lower prices and better services because all future revenues will go to the same sets of pockets. Thus, there will be zero incentive to improve service for customers.

Allowing CN to use a voting trust to acquire KCS will eliminate any possible chance for CP to merge with KCS. The union of CP and KCS two lines would actually increase investment and open up important competition against CN, BNSF, and Union Pacific. If CN is given the opportunity to close KCS into trust, an unfortunate precedent will be established and the stage set for similar mergers in the future.

Finally, a voting trust presents serious financial concerns. CN plans to issue \$19 billion of new debt to finance its purchase of KCS and intends to pay a 45 percent price premium. If the Board approves the voting trust but ultimately denies the CN application, CN will be hard pressed to recoup its astronomical purchase price and will almost certainly pass its burden onto consumers.

Letter to STB commenting on CN Trust Proposal

It is my opinion that it is not in the public interest to allow CN to use a voting trust in conjunction with its attempt to acquire KCS. As such, we recommend the STB to reject CN efforts to use a voting trust.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jim Gruenel". The signature is fluid and cursive, with the first name "Jim" and last name "Gruenel" clearly distinguishable.

Cc: All Parties of Record

Letter to STB commenting on CN Trust Proposal

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E. Street S.W.
Washington, D.C. 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I wish to share my perspective on Canadian National's ("CN") request for a voting trust in its anticipated merger of Kansas City Southern ("KCS"). I applaud the Board's decision to take a cautious approach due to the size and impact of this proposed merger. We believe the use of a trust will not serve the public interest and urge the Surface Transportation Board to reject CN's motion.

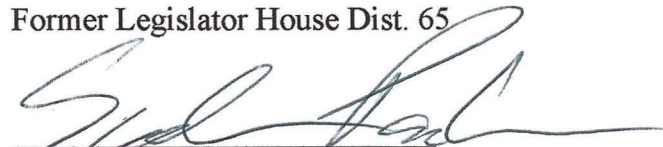
We were surprised by recent news that the KCS board decided to end its previous agreement to merge with Canadian Pacific (CP) in favor of entering into an agreement with CN instead. CN and KCS have many parallel lines and broad regions of overlap, and the loss of competition is worrisome. If a CN-KCS merger were to happen, the current alternatives for shipping routes could be narrowed, leading to less competition – rather than the standard of "enhanced" competition under the new merger rules.

Additionally, we must consider the financial impact of the "total fixed charges" and "financial integrity" of the rail carriers involved. A total of \$19 billion in new debt would be needed for CN to purchase KCS. An action with implications that large should be reviewed carefully.

We ask the Surface Transportation Board to reject CN's proposed voting trust with KCS. The most compelling reason for a CN-KCS merger is payout to shareholders – when, instead, the public's interest in a merger like this should take the highest priority.

With respect,

Richard Scooter Park
Former Legislator House Dist. 65



NAME

Cc: All Parties of Record

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express Gardewine Groups perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

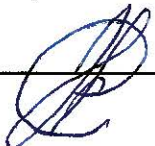
We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted, _____



BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express GDI Services Inc. perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

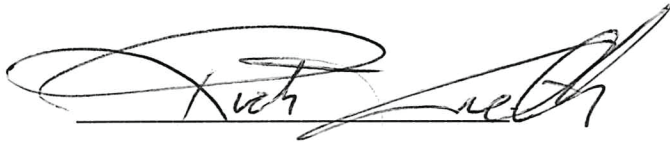
In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or

extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Rick Aiello
Sr. Vice President Great Lakes
GDI Services Inc.

A handwritten signature in black ink, appearing to read "Rick Aiello", written over a horizontal line.

cc: All Parties of Record



BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

Global Food and Ingredients Inc. ("GFI") and GFI LP by its general partner, 11567403 Canada Inc. is a Canadian-owned food and ingredients company focused on value-added processing of pulses and specialty crops. GFI's three processing facilities are located in Saskatchewan, in the heart of Canada's pulse and specialty crops production. Our facilities are strategically located in key origination areas for red and green lentils, yellow and green peas, chickpeas and other specialty crops. Our Lajord facility with a 35-car rail siding (SSRY-CP) is located 100 in South Railway Ave, Lajord, SK, Canada.

I am writing to express GFI's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+

Global Food and Ingredients Inc.

43 Colborne Street, Suite 400, Toronto, Ontario, M5E 1E3, Canada, www.gfiglobalfood.com



months of review under the new rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

The Board's mandate to consider the public interest when it decides whether to allow a voting trust to be used cannot mean that it must let the railroad with the most cash predetermine the outcome of the regulatory process. The extra billions of dollars CN has offered have given KCS's board of directors no choice but to switch sides and accept CN's offer, but the fact that KCS has required CN to use a voting trust in order to close its transaction shows that KCS understands the difficult regulatory issues that CN's proposal raises. In these circumstances we do not see any public interest benefit to the use of a trust – all it does is get KCS's shareholders consideration without regard to the regulatory risks being imposed on the public interest. Nothing would prevent KCS and its shareholders from deciding to pursue the proposed CN/KCS transaction without the need for CN to use a voting trust. Rejecting the proposed voting trust and allowing KCS to consider whether CN's proposed transaction could in fact be approved by the STB is a better way for KCS and its shareholders to participate in the decision about what path forward for this important railroad is superior.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

A handwritten signature in blue ink that reads "S. Rahimi".

Soudeh Rahimi

Director, Supply Chain

Global Food and Ingredients Inc. (GFI)

cc: All Parties of Record

Global Food and Ingredients Inc.

43 Colborne Street, Suite 400, Toronto, Ontario, M5E 1E3, Canada, www.gfiglobalfood.com

GOLDSTAR TRUCKING LTD.

June 21, 2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

Goldstar Trucking Ltd. (Goldstar)

I am writing to express Goldstar's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to

GOLDSTAR TRUCKING LTD.

apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Mohamad El-Turk, Director of Goldstar Trucking Ltd.



cc: All Parties of Record



June 24, 2021

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

On behalf of the Government of New Brunswick, I am writing to encourage the Surface Transportation Board (STB) to deny Canadian National's (CN's) request to use a voting trust in connection with its proposed transaction to acquire Kansas City Southern (KCS), since the use of a voting trust in this situation is inconsistent with the public interest.

CN's proposed acquisition of KCS raises clear concerns regarding harm to competition in the freight rail industry throughout North America. This harm to competition would unquestionably undermine the public interest. Combined, CN and KCS would be the third largest Class 1 railway in North America, which would destabilize the competitive balance that exists in the industry today, thereby harming shippers not only in the United States (U.S.), but also in Canada, since our economies and supply chains are so deeply intertwined.

Allowing CN the use of a voting trust to close their proposed transaction would also have an adverse impact on existing competition between KCS and CN. The CN and KCS service offerings are largely parallel across much of the KCS territory in the south central U.S. They compete with each other by providing alternative solutions for shipments of the same commodities in the same geographies, thereby disciplining one another even where they are not head-to-head alternatives for the same shippers. CN's proposed control of KCS would eliminate this competition. The harm to shippers throughout North America would arise immediately if CN were permitted to close KCS into a voting trust.



Honorable Cynthia T. Brown

June 24, 2021

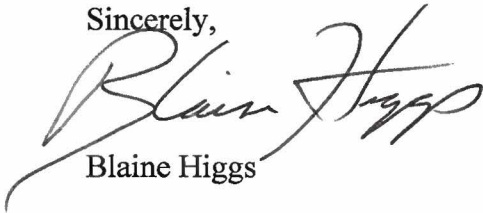
Page 2

Shippers and railroad employees will also be harmed by CN's excessive premium offered to KCS shareholders. The 45 percent premium CN offered to KCS shareholders is a significant valuation for a Class 1 railroad merger and it requires \$19 billion of new debt. If CN is permitted to close their proposed transaction into a voting trust, this massive debt burden will shift from CN to shippers and railroad employees. CN will recover those significantly inflated costs, either through increased freight rates, job eliminations, or both. This will harm shippers and railroad employees across North America, which clearly undermines the public interest.

The public interest is served by strong market competition. We are seeing the benefits of stronger rail competition in New Brunswick with Canadian Pacific's (CP's) return to service in Atlantic Canada. This is proving to be an economic game-changer and is providing much-needed competition to CN in the region. With CP once again operating in the region, shippers can access domestic, North American, and international markets through both Port Saint John, a deep-water port in Saint John, New Brunswick, that is capable of handling a variety of cargo types, and the Port of Searsport, Maine, which is driving economic growth along the US eastern seaboard.

Given the harm to competition that can be expected from CN's proposed acquisition of KCS, I urge the STB to deny CN's request for a voting trust so that a comprehensive review of the implications for shippers throughout North America can occur.

Sincerely,

A handwritten signature in black ink, appearing to read "Blaine Higgs", with a stylized, cursive script.

Blaine Higgs



Monday June 21, 2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express GX Transport's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s]" on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

6495 Van Deemter Court, Mississauga, ON L5T 1S1
905.455.4341 1.877.740.3940 www.gxtr.com

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

The Board's mandate to consider the public interest when it decides whether to allow a voting trust to be used cannot mean that it must let the railroad with the most cash predetermine the outcome of the regulatory process. The extra billions of dollars CN has offered have given KCS's board of directors no choice but to switch sides and accept CN's offer, but the fact that KCS has required CN to use a voting trust in order to close its transaction shows that KCS understands the difficult regulatory issues that CN's proposal raises. In these circumstances we do not see any public interest benefit to the use of a trust – all it does is get KCS's shareholders consideration without regard to the regulatory risks being imposed on the public interest. Nothing would prevent KCS and its shareholders from deciding to pursue the proposed CN/KCS transaction without the need for CN to use a voting trust. Rejecting the proposed voting trust and allowing KCS to consider whether CN's proposed transaction could in fact be approved by the STB is a better way for KCS and its shareholders to participate in the decision about what path forward for this important railroad is superior.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Dan Colagiacomo



cc: All Parties of Record



2-42 Keefer Crt , Hamilton, ON L8E 4V4

905-544-3337

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown

Chief, Section of Administration, Office of Proceedings

Surface Transportation Board

395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

Hamilton Steel Logistics Inc is in Transportation and logistics including Rail and Road.

I am writing to express Hamilton Steel Logistics Inc., perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

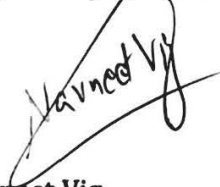
We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Navneet Vig", is written over a horizontal line.

Navneet Vig

Manager Intermodal

cc: All Parties of Record



IMPACT ON NEW RULES

BY ELECTRONIC FILING

6/28/21

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

I am writing to express HCL Logistics perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules so would like to retract our original letter.

Respectfully submitted,

Mike Pullam, HCL Logistics Inc.

A handwritten signature in black ink, appearing to read "Mike Pullam", is written over a horizontal line.

cc: All Parties of Record



The Honorable Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E. Street, S.W.
Washington, DC 20423-0001

Re: FD 36514, Canadian National Railway Company, Grand Trunk Corporation, and CN's Rail Operating Subsidiaries—Control—Kansas City Southern, the Kansas City Southern Railway Company, Gateway Eastern Railway Company, and the Texas Mexican Railway Company

Dear Ms. Brown:

HCL has worked extremely close with CN since starting our transload operation with CN acting as both a service provider and an essential resource to allow us to grow our business. As a transload facility CN ships in a diverse cross-section of commodities which include but are not limited to metals, lumber, gypsum, pulp & paper, retail products etc. The consistency and efficiency of delivery has proven to exceed both HCL and its customer expectations allowing our operating to move in the most efficient manner possible.

HCL supports approval of CN's voting trust. We believe CN's proposed voting trust benefits KCS and its shareholders by creating the opportunity for them to make a fair, informed decision when choosing between the competing offers.

To ensure fair and transparent review of CN's voting trust, HCL also supports CN's request that the STB review CN's voting trust agreement simultaneously with CP's proposed voting trust and that the review process include a brief public comment period. Such a review would ensure a level playing field for the bids.

HCL is proud of our 4 year relationship with CN and appreciate their outreach to us since April 20 regarding the proposed KCS-CN combination. Their voting trust—as well as their request that the STB review their voting trust concurrently with its review of CP's trust with a period for public comment—demonstrates clearly the customer-focused approach to business that CN has demonstrated since the inception of our relationship. We look forward to seeing CN's commitment to fairness and efficiency reflected in the STB's review of the voting trust as well as the entire transaction.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Pullam", with a stylized flourish at the end.

Mike Pullam
Director, Business Development
cc: Parties of Record



The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

I am writing to express Heritage Electric's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

A handwritten signature in cursive script that reads "Cathey Dahl".

Cathey Dahl



525, AVENUE CHAMPLAIN
HEMMINGFORD (QUÉBEC) CANADA J0L 1H0
T 450.247.2783 F 450.247.2784 i www.jlpriest.com

SENT ELECTRONICALLY

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express J.L.Priest Inc.'s perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or



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extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Richard Priest, President General Manager

cc: All Parties of Record

12 North Railroad Street, P.O. Box 248
Garrison, North Dakota 58540
Voice 701-463-7261
Fax 612-435-4868
www.jmgrain.com



June 28, 2021

Surface Transportation Board
To Whom It May Concern:

Pea and Lentil Processors need more choices – not fewer; the CN-KCS merger will result in processors being burdened with fewer rail options and higher costs. A CN-KCS network overlap results in an even bigger and less responsive railroad, and could trigger a renewed interest in further industry consolidation that would create imbalances across additional rail networks. The end result: even less competition and reduced optionality for customers.

I urge the Surface Transportation Board to reject the CN voting trust, which would prevent the negative impact of a CN takeover.

Thank you for your consideration.

Justin Flaten
Owner
JM Grain, Inc.

A handwritten signature in black ink, appearing to read "Justin Flaten", is written over a horizontal line.

JM Grain 
Farmers Feeding the World
12 North Railroad St • Garrison, ND 58540 USA



KATOEN NATIE GULF COAST, Inc.

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e-mail: info@ktnusa.com

Letter to STB commenting on CN Trust Proposal

JUNE 21ST 2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

I am writing to express Katoen Natie USA (KTN) perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." I am writing to express our view that the use of a trust in this proceeding would not be in the public interest.

Katoen Natie USA (KTN) owns and operates a plastics storage, custom packaging and distribution facility for producers of petrochemical products in Baton Rouge, LA. Our facility is served by both the Kansas City Southern and Canadian National Railway. Access to both rail carriers creates competition, focused on premium service and market based prices. With the CN-KCS acquisition, KTN's facility will lose a competitive option and the benefits of that access at Baton Rouge. The merger, in our opinion, is anti-competitive regardless of the proposed mitigation.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.



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KATOEN NATIE GULF COAST, Inc.

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e-mail: info@ktnusa.com

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new merger rules is exactly why the Board should not allow CN to use of a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

We think that the costs of allowing a voting trust far outweigh the benefits. We see no real benefits, other than allowing KCS's shareholders to collect billions of dollars without having to bear the burdens and risks of CN and KCS trying to persuade the Board that their deal is in the public interest. That does not seem to be a public benefit at all. Without prejudging how that assessment will turn out, if CN is right that its proposal is great for competition and all stakeholders, there should not be such a great risk for KCS's shareholders either, and no need for a voting trust.

The costs of allowing a voting trust here, however, are quite significant. In addition to the concern about establishing a precedent for other mergers and constraining the Board's first-ever application of the new merger rules, we see a number of realistic concerns that arise immediately if CN were allowed to use a trust.

First, from our perspective, the most significant cost associated with allowing CN to use a voting trust to complete its acquisition of KCS is the ***adverse impact that would have on existing competition between KCS and CN.***



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We are familiar with the rail service offerings of CN and KCS, which are broadly parallel across much of KCS's service territory on the south central United States. Our experience in rail transportation markets confirms that competition between two railroads serving the same points, corridors and regions manifests itself not just where they serve the same specific shipper facilities. Competing railroads like CN and KCS also provide alternative solutions for shipments of the same commodities in the same geographic areas, thereby disciplining one another even where they are not head-to-head alternatives for the same shipper. For example, they serve alternative transloads, alternative grain terminals, alternative receivers or shippers of the same commodity across the regions they both serve, like much of Mississippi, much of Louisiana, Omaha/Council Bluffs; St. Louis, Springfield, and southwestern Illinois.

CN's proposed control of KCS would of course do away with all of this competition completely. It may be possible to remedy some of it with targeted access for other rail carriers, but without an independent KCS it would be impossible to remedy all of the harm. Under these circumstances, we would imagine that the Board would not approve CN's proposed control transaction under the new merger rules, which emphasize "enhanced" rather than reduced competition.

But some of the harm would come immediately if CN were allowed to acquire KCS's stock and hold it in a voting trust. As we understand how voting trusts work, CN would receive all of the benefits of owning KCS – including dividends from KCS's profits – even though KCS's management continued to direct the day-to-day functions of that railroad. As a market participant, we cannot imagine that competition between CN and KCS would remain robust if CN knew it would earn profits when KCS was able to win business despite charging higher rates or offering worse service. Why would either of them sharpen their pencils against one another if the profits ended up the same place: with CN? Ultimately, we agree with the U.S. Department of Justice's observation that "threats to competition would be present immediately after the CN voting trust is consummated."

Second, allowing CN to use a voting trust to complete its acquisition of KCS would eliminate the opportunity for ***KCS to be acquired by Canadian Pacific and the strong competitive benefits such a transaction would yield.***

A CP/KCS transaction promises to create new, better single-line routes from America's Heartland and Canada to the Gulf of Mexico. CN (via its 1998 acquisition of Illinois Central) already reaches the Gulf of Mexico. CN has a high capacity mainline route straight from Chicago to New Orleans. CP, by contrast, has an underutilized route line that only goes as far as Kansas City. CP's only friendly connection at Kansas City is with KCS. Were CP and KCS allowed to combine, CP would have incentives to invest in this route via Kansas City, opening up new competition against CN, BNSF and Union Pacific.

Allowing CN to acquire all of KCS's stock as part of a voting trust transaction would kill this opportunity for enhanced competition. Not only that, it will leave CP and its U.S. network a shadow of a CN/KCS network. CN in the U.S. would be three times the size of CP in the U.S. This kind of competitive imbalance is bad for America's rail network, and we worry in particular about its implications for potential further consolidation.



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Making matters worse, CN would get stronger by absorbing KCS's system, much of which is broadly parallel to CN's existing U.S. network. This implies rationalization of assets, not investment in new competitive routes. And it implies a loss of competitive options – both concrete multi-railroad access to individual shippers and more subtle benefits of having multiple railroads near one another to serve as “geographically competitive” options for transload shipments, grain moving to alternate elevators/terminals, build-ins and build-outs, and other means.

We are aware that the Board would consider a proposed CN/KCS under the new merger rules, and therefore could condition it to try to protect competition or disallow the transaction entirely. But that is a reason ***not to let CN use a voting trust***, so that there is no pre-judgment of the outcome of that first-ever new rules assessment, and no foreclosure of a potential CP/KCS transaction and all the competitive benefits it promises.

Third, in its Decision No. 3, the Board pointed to the fact that one aspect of the public interest it needed to consider was the potential ***financial impact of a transaction on the “total fixed charges” and the “financial integrity” of the rail carriers involved***. The Board specifically noted cause for concern relating to CN's proposal to issue over \$19 billion of new debt to finance its purchase of KCS, and the 45% price premium it was proposing to pay.

We share the concerns the Board noted, and believe these factors are compelling reasons why CN should not be able to use a voting trust to complete its purchase – spending all of this money and issuing all of this debt – unless and until the Board has completed its full assessment whether a CN/KCS transaction that would burden the railroad and its customers in this would be in the public interest.

We understand that CN has said it plans to try to demonstrate how its strong balance sheet and financial forecasts will allow it to earn a return on its investment in KCS, and to avoid financial hardship if it has to divest KCS. No matter what showing CN is able to make in this regard, in our view it cannot support a finding that it would be in the public interest to allow CN to buy KCS first and defend its acquisition later.

No matter how strong CN's balance sheet might be, the huge price premium it is paying and massive debt burden will create immediate incentives for CN to extract more revenues from its existing customers. It won't be able to do that with any of the merger “synergies” it plans for several years, so CN will be incented to do it through higher prices for their current customers or less investment on CN's network. These incentives arise whether or not CN ends up having to divest KCS.



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e-mail: info@ktnusa.com

In addition, CN is allowed to use a voting trust and the Board denies CN's application to control KCS, CN would have to divest KCS sometime in 2023. It is hard to imagine CN would be able to get a price for KCS anywhere close to what it agreed to pay. Its high premium seems designed to deny KCS to CP, and no other railroads would be willing (or able) to pay such a high price for KCS. In that scenario, CN would be saddled with massive amounts of debt and no merger synergies with which to recoup them. Even if CN could put forward an optimistic business plan that showed it could bear these burdens without financial disaster, what if the economic picture in 2023 were not so rosy? CN might have to sacrifice investment, downgrade service levels, or increase rates even more in order to overcome these burdens.

* * *

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust. The fact is that the Board does not need to play Russian Roulette with the U.S. rail network. It can deny CN's proposed voting trust and let CN proceed to convince the Board that its proposal offers compelling public benefits that cannot be achieved any other way, and that the super-premium CN is paying to KCS's shareholders is not contrary to the public interest. Only then should CN be allowed to spend so many billions to acquire KCS.

Respectfully submitted,

Frank Vingerhoets

President

Cc: All Parties of Record



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Kensal Farmers Elevator Co.
PO Box 68
Kensal ND 58455
701-435-2451 fax 701-435-2214

June 25, 2021

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express the Kensal Farmers Elevator Company, Kensal, ND, perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. We are a farmer owned, medium sized grain elevator in Central North Dakota. We ship 100 car grain trains on the CP mainline, that goes through North Dakota.

In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." It is our view, that the CN's use of a trust, in this proceeding would not be in the public interest.

We agree with, and welcome the fact, that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. Those rules place a heavier burden on merger applicants, to show that a major rail consolidation is consistent with the public interest. These rules also give the Board much greater discretion to disapprove proposed transactions, or impose extensive conditions, aimed at ensuring that they serve the public interest.

We believe; to allow CN to use a voting trust to complete its acquisition first, and have it reviewed later, would be potentially damaging to both companies, as well as competition, in the interim review period. With potentially billions of dollars at risk, the Board should not have to worry about the consequences of KCS coming out of trust, as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

Kensal Farmers Elevator is very concerned about setting a potentially dangerous precedent with the CN-KCS merger. We feel this potential merger (CN and KCS) and trust approval, could encourage additional rail mergers, among the biggest railroads in North America, and limit the Board's freedom to apply the

2001 merger rules the way they were intended. We feel this potential scenario, would also dampen competition, having a negative effect on public interest, for decades to come.

Allowing CN to acquire all of KCS's stock as part of a voting trust transaction, would kill a great opportunity for enhanced competition, with a CP/KCS merger. CN in the U.S., would be three times the size of CP in the U.S. This kind of competitive imbalance is bad for America's rail network, and we worry in particular about its implications for potential further consolidation. Smaller railroads like the CP, would have to get bought eventually by another railroad, because long term competitiveness wouldn't be possible, with such a small network.

Making matters much worse, CN would get much stronger by absorbing KCS's system, much of which is broadly parallel to CN's existing U.S. network. Incentive to compete, or work with other railroads, for the CN, would be greatly reduced. We believe that CN's balance sheet would also be stretched thin, with a potential merger, and the need to generate big immediate financial returns from KCS would encourage anti-competitive behavior as well. That specifically, would harm North Dakota businesses like ours overall, and in turn our farmers, that depend on us. A loss or lack of competitive rail shipping options, has never historically, been a positive for the North Dakota and U.S. farmer.

We are aware that the Board would consider a proposed CN/KCS under the new merger rules, and therefore could condition it to try to protect competition or disallow the transaction entirely. We feel that is reason enough, ***not to let CN use a voting trust***, so that there is no pre-judgment of the outcome of that first-ever new rules assessment, and no foreclosure of a potential CP/KCS transaction and all the competitive benefits it promises, both in the interim, and in the immediate future.

In its Decision No. 3, the Board pointed to the fact that one aspect of the public interest it needed to consider was the potential financial impact of a transaction on the "total fixed charges" and the "financial integrity" of the rail carriers involved. The Board specifically noted cause for concern relating to CN's proposal to issue over \$19 billion of new debt to finance its purchase of KCS, and the 45% price premium it was proposing to pay.

We believe, If CN is allowed to use a voting trust and the Board ultimately denies CN's application to control KCS, CN would have to divest KCS sometime in 2023. It is hard to imagine CN would be able to get a price for KCS anywhere close to what it agreed to pay. Its high premium, once KCS is owned, acts as a huge deterrent to another smaller carrier, buying KCS from CN. Its high premium seems designed to deny KCS to CP, and no other railroads would be willing (or able) to pay such a high price for KCS. In that scenario, CN would be saddled with massive amounts of debt and no merger synergies with which to recoup them. What if a financial recession takes place in the near future? Can CN survive that kind of dual financial hit, with a weakened balance sheet?

Accordingly, We urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,



Chris Mashek, General Manager
Kensal Farmers Elevator Company

Kevin J Hoyer
N4931 Moos Rd
West Salem, WI 54669

JUNE 24, 2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

My name is Kevin Hoyer, I am a La Crosse County supervisor, owner/operator of a farm in West Salem, WI and a manager of an Ag Retailer in Melrose, WI. As a local leader, farmer and Ag Retailer I have a vested interest in any potential impacts to the agriculture industry, as well as to our community and the overall economy.

There are currently two separate railroad mergers before the STB. I am writing to provide my viewpoint on Canadian National's (CN) proposed voting trust concerning its merger with Kansas City Southern (KCS), and to offer my support for Canadian Pacific's (CP) combination with KCS.

A CP-KCS merger will offer a seamless network and new single-line offerings to improve the flow of grain shipments from origins on CP in Canada and the U.S. to destinations served by KCS in the U.S. Gulf ports and into Mexico. The combined network will increase options for shippers in the U.S. by connecting agriculture products with new ports and new markets.

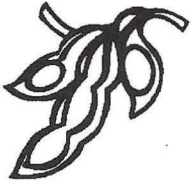
Conversely, a CN-KCS merger would decrease competition, reducing the number of independent routing options from four to three between the Midwest and the Gulf Coast. Additionally, CN and KCS compete assertively for traffic and shippers. Combining the two networks would decrease competition and leave shippers in a vulnerable position to price hikes and low-quality service.

I urge the STB to reject CN's voting trust and encourage KCS to reengage CP on its initial offer.

Respectfully submitted,

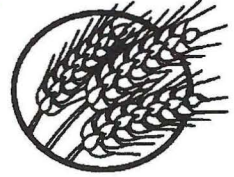
Kevin J Hoyer

Cc: All Parties of Record



Kirkeide's Northland Bean & Seed Co., Inc.

4520 12th St. NE
Fessenden, ND 58438
Phone: 701-547-3466 • Fax: 701-547-3539
E-mail: kirkeide@stellarnet.com



BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

Kirkeide Northland Bean and Seed is a small private edible bean processor. We specialize in cleaning and bagging of Pinto Beans raised in central North Dakota. Rail access to the Caribbean through Texan ports as well as direct line access to Mexico is critical to our business. We are currently served by the CP Railroad and depend on the CP/KCS relationship to reach these destinations.

I am writing to express Kirkeide Northland's concern on CN being allowed to use a voting trust in its intention to acquire Kansas City Southern.

We strongly support a CP/KCS merger. A CP/KCS merger would create a three-way competition to these markets. Rather than limit it to BN and CN only. This "voting trust" creates a rubber stamp approval that almost nullifies the Board's ability to apply the 2001 Major Merger Rules.

In closing, small rural business is the backbone of America. Our only way to be treated fairly by huge corporations is to rely on regulatory agencies like yours to be our voice and ally in decisions of this magnitude.

Respectfully,

Joel Schimke

Kirkeide Northland Bean and Seed

Fessenden ND



June 21, 2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

LBCO Contracting Ltd. (LBCO)

I am writing to express LBCO's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a



precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Fernando Nogueira, Director of LBCO Contracting Ltd.

A handwritten signature in black ink, appearing to be "F. Nogueira", is written above a horizontal line.

cc: All Parties of Record



Letter to STB commenting on CN Trust Proposal

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express Luthi Grains Inc's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of

the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

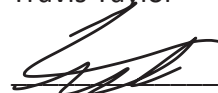
In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

The Board's mandate to consider the public interest when it decides whether to allow a voting trust to be used cannot mean that it must let the railroad with the most cash predetermine the outcome of the regulatory process. The extra billions of dollars CN has offered have given KCS's board of directors no choice but to switch sides and accept CN's offer, but the fact that KCS has required CN to use a voting trust in order to close its transaction shows that KCS understands the difficult regulatory issues that CN's proposal raises. In these circumstances we do not see any public interest benefit to the use of a trust – all it does is get KCS's shareholders consideration without regard to the regulatory risks being imposed on the public interest. Nothing would prevent KCS and its shareholders from deciding to pursue the proposed CN/KCS transaction without the need for CN to use a voting trust. Rejecting the proposed voting trust and allowing KCS to consider whether CN's proposed transaction could in fact be approved by the STB is a better way for KCS and its shareholders to participate in the decision about what path forward for this important railroad is superior.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Travis Taylor

A handwritten signature in black ink, appearing to read 'Travis Taylor', is written over a horizontal line.

cc: All Parties of Record

June 21, 2021

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E. Street S.W.
Washington, DC 20423

Dear Ms. Brown:

My name is Dana Connors, my business address is 128 State Street, Suite 101, Augusta, Maine 04330. I am President/CEO of the Maine State Chamber of Commerce, where we represent a network of over 5,000 businesses across the state of Maine.

Canadian Pacific Railway Company is a member of the Maine State Chamber of Commerce.

The Maine State Chamber of Commerce supports approval of the CP/KCS combination. The transaction would provide significant benefits that we are eager to see realized as soon as possible.

From our perspective, the transaction promises to provide improved service options and invigorate transportation competition in the markets companies in Maine rely on. 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 would help companies that do business into and out of the State of Maine, reach our existing markets and new markets more efficiently. With the two railroads' strong focus on safety and their record of operational excellence, I have no doubt that CPKC will be able to integrate their operations seamlessly to the benefit of rail customers and other stakeholders. The Maine State Chamber of Commerce sees this transaction as uniquely beneficial, with none of the downsides that might result from another round of Class I consolidation.

We are very excited about the transaction because it will allow a combined CPKC to provide new, more efficient, and reliable rail service options. 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.

The entirely complementary nature of CP's and KCS' networks - connecting only at Kansas City and not overlapping anywhere - means that the transaction will not have any adverse effects on competition. It will only make these carriers a better alternative relative to the other options that already exist, since CPKC will continue to interchange with all of their other existing interline partners.

We have been impressed by the level of attention by CP and KCS, 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 that they will be able to implement their transaction without the service disruptions that have accompanied some past rail mergers.

For these reasons, the Maine State Chamber of Commerce 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.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Dana F. Connors", with a large, stylized flourish extending from the end of the signature.

Dana F. Connors
President/CEO
Maine State Chamber of Commerce

CC: All Parties of Record



Together Improving Lives
Ensemble, améliorons des vies

Letter to STB commenting on CN Trust Proposal

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express Medline Canada's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.



Together Improving Lives
Ensemble, améliorons des vies

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

The Board's mandate to consider the public interest when it decides whether to allow a voting trust to be used cannot mean that it must let the railroad with the most cash predetermine the outcome of the regulatory process. The extra billions of dollars CN has offered have given KCS's board of directors no choice but to switch sides and accept CN's offer, but the fact that KCS has required CN to use a voting trust in order to close its transaction shows that KCS understands the difficult regulatory issues that CN's proposal raises. In these circumstances we do not see any public interest benefit to the use of a trust – all it does is get KCS's shareholders consideration without regard to the regulatory risks being imposed on the public interest. Nothing would prevent KCS and its shareholders from deciding to pursue the proposed CN/KCS transaction without the need for CN to use a voting trust. Rejecting the proposed voting trust and allowing KCS to consider whether CN's proposed transaction could in fact be approved by the STB is a better way for KCS and its shareholders to participate in the decision about what path forward for this important railroad is superior.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Mireille Bourgault



cc: All Parties of Record



June 22, 2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

The Minnesota Grain and Feed Association (MGFA) is a 114-year-old organization representing the interests of the grain elevator and feed mill industry in Minnesota. With approximately 70 cooperative grain elevators operating close to 200 branch locations statewide and another 165 privately owned facilities, we have a vested interest in not just opposing the Canadian National's bid to acquire the Kansas City Southern but also their proposal for a voting trust.

Today I am writing to express MGFA's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." It is MGFA's view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new merger rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so – and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

It is MGFA's perspective that the costs of allowing a voting trust far outweigh the benefits. We see no real benefits, other than allowing KCS's shareholders to collect billions of dollars without having to bear the burdens and risks of CN and KCS trying to persuade the Board that their deal is in the public interest. That does not seem to be a public benefit at all. Without prejudging how that assessment will turn out, if CN is right that its proposal is great for competition and all stakeholders, there ought not be such a great risk for KCS's shareholders either, and no need for a voting trust.

The costs of allowing a voting trust here, however, are quite significant. In addition to the concern about establishing a precedent for other mergers and constraining the Board's first-ever application of the new merger rules, we see a number of realistic concerns that arise immediately if CN were allowed to use a trust.

First, from our perspective, the most significant cost associated with allowing CN to use a voting trust to complete its acquisition of KCS is the ***adverse impact that would have on existing competition between KCS and CN.***

We are familiar with the rail service offerings of CN and KCS, which are broadly parallel across much of KCS's service territory in the south central United States. Our experience in rail transportation markets confirms that competition between two railroads serving the same points, corridors and regions manifests itself not just where they serve the same specific shipper facilities. Competing railroads like CN and KCS also provide alternative solutions for shipments of the same commodities in the same geographic areas, thereby disciplining one another even where they are not head-to-head alternatives for the same shipper. For example, they serve alternative transloads, alternative grain terminals, alternative receivers or shippers of the same commodity across the regions they both serve, like much of Mississippi, much of Louisiana, Omaha/Council Bluffs, St. Louis, Springfield, and southwestern Illinois.

CN's proposed control of KCS would, of course, do away with all of this competition completely. It may be possible to remedy some of it with targeted access for other rail carriers, but without an independent KCS it would be impossible to remedy all of the harm. Under these circumstances, we would imagine that the Board would not approve CN's proposed control transaction under the new merger rules, which emphasize "enhanced" rather than reduced competition.

But some of the harm would come immediately if CN were allowed to acquire KCS's stock and hold it in a voting trust. As we understand how voting trusts work, CN would receive all of the benefits of owning KCS – including dividends from KCS's profits – even though KCS's management continued to direct the day-to-day functions of that railroad. As a market participant, we cannot imagine that competition between CN and KCS would remain robust if CN knew it would earn profits when KCS was able to win business despite charging higher rates or offering worse service. Why would either of them sharpen their pencils against one another if the profits ended up in the same place: with CN? Ultimately, we agree with the U.S. Department of Justice's observation that "threats to competition would be present immediately after the CN voting trust is consummated."

Second, allowing CN to use a voting trust to complete its acquisition of KCS would eliminate the opportunity for ***KCS to be acquired by Canadian Pacific and the strong competitive benefits such a transaction would yield.***

A CP/KCS transaction promises to create new, better single-line routes from America's Heartland and Canada to the Gulf of Mexico. CN (via its 1998 acquisition of Illinois Central) already reaches the Gulf of Mexico. CN has a high-capacity mainline route straight from Chicago to New Orleans. CP, by contrast, has an underutilized route line that only goes as far as Kansas City. CP's only friendly connection at Kansas City is with KCS. Were

CP and KCS allowed to combine, CP would have incentives to invest in this route via Kansas City, opening up new competition against CN, BNSF and Union Pacific.

A CP/KCS union would also specifically benefit Minnesota grain shippers on the CP line. A combination of these two railroads should expand our access to markets across the United States, Mexico, Canada and internationally, not to mention it would increase competition among other rail carriers that serve our markets in Minnesota.

Allowing CN to acquire all of KCS's stock as part of a voting trust transaction would kill this opportunity for enhanced competition. Not only that, it will leave CP and its U.S. network a shadow of a CN/KCS network. CN in the U.S. would be three times the size of CP in the U.S. This kind of competitive imbalance is bad for America's rail network, and we worry in particular about its implications for potential further consolidation.

Making matters worse, CN would get stronger by absorbing KCS's system, much of which is broadly parallel to CN's existing U.S. network. This implies rationalization of assets, not investment in new competitive routes. And it implies a loss of competitive options – both concrete multi-railroad access to individual shippers and more subtle benefits of having multiple railroads near one another to serve as “geographically competitive” options for transload shipments, grain moving to alternate elevators/terminals, build-ins and build-outs, and other means.

We are aware that the Board would consider a proposed CN/KCS under the new merger rules, and therefore could condition it to try to protect competition or disallow the transaction entirely. But that is a reason ***not to let CN use a voting trust***, so that there is no pre-judgment of the outcome of that first-ever new rules assessment, and no foreclosure of a potential CP/KCS transaction and all the competitive benefits it promises.

Third, in its Decision No. 3, the Board pointed to the fact that one aspect of the public interest it needed to consider was the potential ***financial impact of a transaction on the “total fixed charges” and the “financial integrity” of the rail carriers involved***. The Board specifically noted cause for concern relating to CN's proposal to issue over \$19 billion of new debt to finance its purchase of KCS, and the 45% price premium it was proposing to pay.

We share the concerns the Board noted, and believe these factors are compelling reasons why CN should not be able to use a voting trust to complete its purchase – spending all of this money and issuing all of this debt – unless and until the Board has completed its full assessment whether a CN/KCS transaction that would burden the railroad and its customers in this would be in the public interest.

We understand that CN has said it plans to try to demonstrate how its strong balance sheet and financial forecasts will allow it to earn a return on its investment in KCS, and to avoid financial hardship if it has to divest KCS. No matter what showing CN is able to make in this regard, in our view it cannot support a finding that it would be in the public interest to allow CN to buy KCS first and defend its acquisition later.

No matter how strong CN's balance sheet might be, the huge price premium it is paying and massive debt burden will create immediate incentives for CN to extract more revenues from its existing customers. It won't be able to do that with any of the merger “synergies” it plans for several years, so it will have incentives to do it through higher prices for CN's current customers or less investment on CN's network. These incentives arise whether or not CN ends up having to divest KCS.

In addition, if CN is allowed to use a voting trust and the Board ultimately denies CN's application to control KCS, CN would have to divest KCS sometime in 2023. It is hard to imagine CN would be able to get a price for KCS anywhere close to what it agreed to pay. Its high premium seems designed to deny KCS to CP, and no other railroads would be willing (or able) to pay such a high price for KCS. In that scenario, CN would be saddled with massive amounts of debt and no merger synergies with which to recoup them. Even if CN could put forward an optimistic business plan that showed it could bear these burdens without financial disaster, what if the economic picture in 2023 were not so rosy? CN might have to sacrifice investment, downgrade service levels, or jack up rates even more in order to overcome the burdens it took on.

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Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust. The fact is that the Board does not need to play Russian Roulette with the U.S. rail network. It can deny CN's proposed voting trust and let CN proceed to convince the Board that its proposal offers compelling public benefits that cannot be achieved any other way, and that the super-premium CN is paying to KCS's shareholders is not contrary to the public interest. Only then should CN be allowed to spend so many billions to acquire KCS.

Respectfully submitted,



Laura Lemke
Executive Director
Minnesota Grain & Feed Association

Cc: All Parties of Record

Mosher's
1706 Route 225
Noyan, Qc
J0J 1B0
Tel: 450-294-2757 Fax: 450-294-2813



Letter to STB commenting on CN Trust Proposal

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

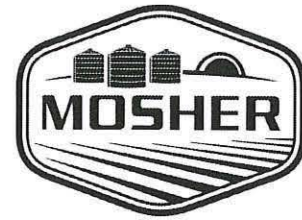
Dear Ms. Brown:

I am writing to express Mosher's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to

Mosher's
1706 Route 225
Noyan, Qc
J0J 1B0
Tel: 450-294-2757 Fax: 450-294-2813



do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

The Board's mandate to consider the public interest when it decides whether to allow a voting trust to be used cannot mean that it must let the railroad with the most cash predetermine the outcome of the regulatory process. The extra billions of dollars CN has offered have given KCS's board of directors no choice but to switch sides and accept CN's offer, but the fact that KCS has required CN to use a voting trust in order to close its transaction shows that KCS understands the difficult regulatory issues that CN's proposal raises. In these circumstances we do not see any public interest benefit to the use of a trust – all it does is get KCS's shareholders consideration without regard to the regulatory risks being imposed on the public interest. Nothing would prevent KCS and its shareholders from deciding to pursue the proposed CN/KCS transaction without the need for CN to use a voting trust. Rejecting the proposed voting trust and allowing KCS to consider whether CN's proposed transaction could in fact be approved by the STB is a better way for KCS and its shareholders to participate in the decision about what path forward for this important railroad is superior.

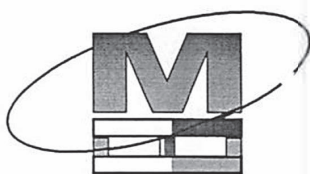
Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Kevin Mosher

A handwritten signature in blue ink, appearing to read "Kevin Mosher", is written over a horizontal line. The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

cc: All Parties of Record



MUTUAL TRANSPORTATION SERVICES INC.

627 Lyons Lane, Suite 403 Oakville, Ontario L6J 5Z7

Letter to STB commenting on CN Trust Proposal

IMPACT ON NEW RULES VERSION

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

I am writing to express Mutual Transportation Services Inc's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

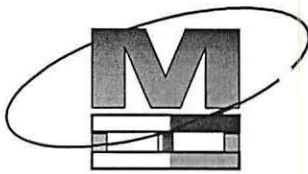
We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

Head Office
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FAX (902) 628-1805

Niagara, ON
PH (905) 327 2841
FAX (905) 227-2277

Montreal, P.Q.
PH (514) 620-3341
FAX (514) 620-8048



MUTUAL TRANSPORTATION SERVICES INC.

627 Lyons Lane, Suite 403 Oakville, Ontario L6J 5Z7

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

The Board's mandate to consider the public interest when it decides whether to allow a voting trust to be used cannot mean that it must let the railroad with the most cash predetermine the outcome of the regulatory process. The extra billions of dollars CN has offered have given KCS's board of directors no choice but to switch sides and accept CN's offer, but the fact that KCS has required CN to use a voting trust in order to close its transaction shows that KCS understands the difficult regulatory issues that CN's proposal raises. In these circumstances we do not see any public interest benefit to the use of a trust – all it does is get KCS's shareholders consideration without regard to the regulatory risks being imposed on the public interest. Nothing would prevent KCS and its shareholders from deciding to pursue the proposed CN/KCS transaction without the need for CN to use a voting trust. Rejecting the proposed voting trust and allowing KCS to consider whether CN's proposed transaction could in fact be approved by the STB is a better way for KCS and its shareholders to participate in the decision about what path forward for this important railroad is superior.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Chris Chapin
President, Mutual Transportation

Head Office
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June 25, 2021

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

I am writing to express National Salvage's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of



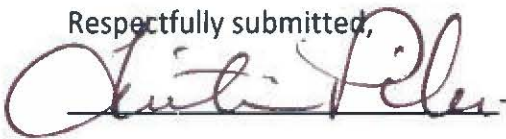
the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

The Board's mandate to consider the public interest when it decides whether to allow a voting trust to be used cannot mean that it must let the railroad with the most cash predetermine the outcome of the regulatory process. The extra billions of dollars CN has offered have given KCS's board of directors no choice but to switch sides and accept CN's offer, but the fact that KCS has required CN to use a voting trust in order to close its transaction shows that KCS understands the difficult regulatory issues that CN's proposal raises. In these circumstances we do not see any public interest benefit to the use of a trust – all it does is get KCS's shareholders consideration without regard to the regulatory risks being imposed on the public interest. Nothing would prevent KCS and its shareholders from deciding to pursue the proposed CN/KCS transaction without the need for CN to use a voting trust. Rejecting the proposed voting trust and allowing KCS to consider whether CN's proposed transaction could in fact be approved by the STB is a better way for KCS and its shareholders to participate in the decision about what path forward for this important railroad is superior.

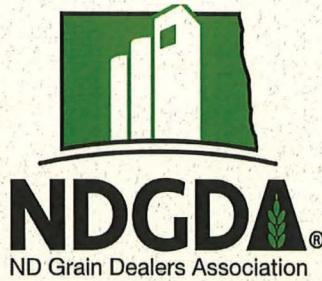
Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,



cc: All Parties of Record





2417 N University Dr, Suite A, Fargo, ND 58102-1820 • Ph: 701.235.4184 • Fax: 701.235.1026 • www.ndgda.org

June 28, 2021

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – CN/KCS Voting Trust

Dear Ms. Brown:

North Dakota Grain Dealers Association (“NDGDA”) hereby files this letter in opposition to the use of a voting trust in the CN/KCS combination.

NDGDA is an association of over 120 companies that operate over 250 grain elevators in North Dakota. These grain elevators are the first point of sale for nearly all grain produced in the state. Grain production remains the mainstay of North Dakota’s economy and rail service is essential to move grain from points of production to points of consumption. More than 80 percent of North Dakota’s grain shipments occur by railroad.

We agree with the STB decision to evaluate the CN/KCS merger under the current rules at 49 C.F.R part 1180. That decision signals that the Board views the CN/KCS deal as requiring a high level of scrutiny. We also agree with the Board’s stance in Decision No. 3 to adopt a “more cautious approach” to CN’s proposal to use a voting trust and offer the following points in opposition to that proposal:

- Allowing CN to use a voting trust would essentially eliminate any chance for the Canadian Pacific to acquire the KCS. As we have stated in previous filings, we support a CP/KCS combination and feel that a CP/KCS combination meets the criteria for mergers that create competition and enhance the public interest.
- The CN and KCS are direct competitors along a large swath of the central U.S. Once a voting trust is formed, we feel there would be little appetite on either carriers’ part to compete against one another if such competition would mean less profits for either one, which in essence would mean less profits for both.
- The CN proposal creates a large premium for KCS shareholders but also creates a very significant amount of debt for the CN. This \$19 billion in new debt will have to be serviced and we feel CN/KCS’s current customers will have to bear that burden through higher costs or less investment in the network. Neither of these scenarios appear to be in the public interest.

For the reasons listed above we encourage the STB to deny CN’s motion to use a voting trust in its pursuit to acquire the KCS.

Respectfully submitted,

Stu Letcher
Executive Vice President

Serving the North Dakota Grain Industry Since 1911



*Ottawa Real Estate
& Insurance*
Since 1910

Insurance

Motor Licensing

Real Estate

Postes Canada Post

Notary Public

June 25, 2021

Letter to STB commenting on CN Trust Proposal

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown

Chief, Section of Administration, Office of Proceedings

Surface Transportation Board

395 E Street S.W.

Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

Ottawa Real Estate & Insurance

I am writing to express Ottawa Real Estate & Insurance's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.



324 Main St. N.
Moose Jaw, SK S6H 3J9



moosejawinsurance.net
moosejawrealestate.net



derek@orecol.ca
360.631.1161



306.694.4747
306.694.6288



*Ottawa Real Estate
& Insurance*
Since 1910

Insurance

Motor Licensing

Real Estate

Postes Canada Post

Notary Public

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

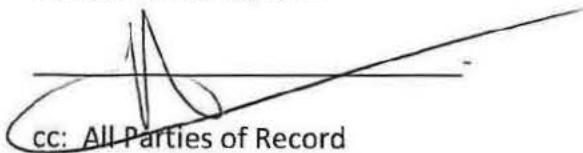
We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Derek McRitchie, CAIB



cc: All Parties of Record



324 Main St. N.
Moose Jaw, SK S6H 3J9



moosejawinsurance.net
moosejawrealestate.net



derek@orecol.ca
360.631.1161



306.694.4747
306.694.6288



ATTENTION: Surface Transportation Board Docket # FD 36514

My name is Stephen Banahan, and my business address is 482 Milo Rd. Dover-Foxcroft, ME. I am the Industrial Sales Manager of Pleasant River Lumber Co. Inc. In my role, I am responsible for managing all rail traffic for our 5 Sawmills.

I am writing to express Pleasant River Lumber's opposition to the CN Rail's use of the voting trust to streamline the Acquisition of the KCS Railway. We do not believe it will be in the public interest. The CN currently has a competing line running to the Gulf Coast States. It would reduce competition to ship lumber to that market. More importantly, it would have a negative impact on commodities shipping North out of the Port of New Orleans, such as Oil and Sugar Products.

Pleasant River Lumber believes that a merger between the CP Rail and the KCS would better serve the public interest. Please consider our position while you review the proposed merger.

Sincerely,

Steve Banahan
Industrial Sales Manager
Pleasant River Lumber
482 Milo Rd.
Dover Foxcroft, ME 04426

VERIFICATION

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

Executed on June 28th, 2021

Stephen Banahan

Cc: ALL PARTIES OF RECORD

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express RAM Environmental Response Ltd. perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a

precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,



cc: Lanny Coombs



June 25, 2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

My name is Jay Sommers, I am the General Manager of Red River Energy, LLC. We ship over 1,100 carloads annually (ethanol and DDGS) from our Rosholt, SD ethanol plant to various destinations located in Canada and the US.

I am writing to express Red River Energy's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

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Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

A handwritten signature in dark ink, appearing to be "J. F. Smith", is written over a horizontal line.

cc: All Parties of Record



1157 Valley Park Drive - Suite 100
Shakopee, MN 55379

Main 952.465.3220

Fax 952.465.3221

www.rpmgllc.com

Date: June 28, 2021

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

My name is Doug Punke, and I am the CEO of Renewable Products Marketing Group (RPMG). I am writing to express RPMG's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

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Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

A handwritten signature in black ink, reading "Douglas E. Punke". The signature is written in a cursive style with a large, stylized "D" and "P".

Douglas E Punke

CEO - RPMG



Letter to STB commenting on CN Trust Proposal

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing as supply chain manager on behalf of Rocanda Enterprises and Rocanda USA.

I am writing to express Rocanda's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust in this proceeding would not be in the public interest.

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In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

The Board's mandate to consider the public interest when it decides whether to allow a voting trust to be used cannot mean that it must let the railroad with the most cash predetermine the outcome of the regulatory process. The extra billions of dollars CN has offered have given KCS's

board of directors no choice but to switch sides and accept CN's offer, but the fact that KCS has required CN to use a voting trust in order to close its transaction shows that KCS understands the difficult regulatory issues that CN's proposal raises. In these circumstances we do not see any public interest benefit to the use of a trust – all it does is get KCS's shareholders consideration without regard to the regulatory risks being imposed on the public interest. Nothing would prevent KCS and its shareholders from deciding to pursue the proposed CN/KCS transaction without the need for CN to use a voting trust. Rejecting the proposed voting trust and allowing KCS to consider whether CN's proposed transaction could in fact be approved by the STB is a better way for KCS and its shareholders to participate in the decision about what path forward for this important railroad is superior.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Jesse Regier



cc: All Parties of Record



SEI Specialized Exports Inc.
60 Tannery Road, Suite 809 Toronto, ON M5A 0S8

Letter to STB commenting on CN Trust Proposal

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

RE: Concerns of Ryan Kram – Owner of SEI Specialized Exports Inc.

I am writing to express SEI Specialized Exports Inc perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending

tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

The Board's mandate to consider the public interest when it decides whether to allow a voting trust to be used cannot mean that it must let the railroad with the most cash predetermine the outcome of the regulatory process. The extra billions of dollars CN has offered have given KCS's board of directors no choice but to switch sides and accept CN's offer, but the fact that KCS has required CN to use a voting trust in order to close its transaction shows that KCS understands the difficult regulatory issues that CN's proposal raises. In these circumstances we do not see any public interest benefit to the use of a trust – all it does is get KCS's shareholders consideration without regard to the regulatory risks being imposed on the public interest. Nothing would prevent KCS and its shareholders from deciding to pursue the proposed CN/KCS transaction without the need for CN to use a voting trust. Rejecting the proposed voting trust and allowing KCS to consider whether CN's proposed transaction could in fact be approved by the STB is a better way for KCS and its shareholders to participate in the decision about what path forward for this important railroad is superior.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Ryan M Kram
Owner
SEI Specialized Exports Inc.



cc: All Parties of Record

Letter to STB commenting on CN Trust Proposal

By ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:
Shah Trading Company Ltd.

I am writing to express Shah Trading Company Ltd's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to

worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

The Board's mandate to consider the public interest when it decides whether to allow a voting trust to be used cannot mean that it must let the railroad with the most cash predetermine the outcome of the regulatory process. The extra billions of dollars CN has offered have given KCS's board of directors no choice but to switch sides and accept CN's offer, but the fact that KCS has required CN to use a voting trust in order to close its transaction shows that KCS understands the difficult regulatory issues that CN's proposal raises. In these circumstances we do not see any public interest benefit to the use of a trust – all it does is get KCS's shareholders consideration without regard to the regulatory risks being imposed on the public interest. Nothing would prevent KCS and its shareholders from deciding to pursue the proposed CN/KCS transaction without the need for CN to use a voting trust. Rejecting the proposed voting trust and allowing KCS to consider whether CN's proposed transaction could in fact be approved by the STB is a better way for KCS and its shareholders to participate in the decision about what path forward for this important railroad is superior.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

[SIGNED]

A handwritten signature in black ink, consisting of a stylized 'J' followed by a series of loops and a long horizontal stroke extending to the right. The signature is written over a solid horizontal line.

cc: All Parties of Record

SB SHARP BASE SHIPPING AND TRANSPORT (CANADA) LTD.

DBA Sharp Base Cold Storage

Office :

1/F 3456, Bridgeway Street, Vancouver
British Columbia, Canada V5K 1B6

Phn: (604) 689 8238 Fax : (604) 689 3111

Warehouse & Cold Storage –Customs Bonded

2/F, 3456 Bridgeway Street,
Vancouver, B.C. Canada V5K 1B6

Phn : (604)298 6969 Fax : (604) 298 8566

Web Site : www.sharpbase.com

Date : June 23 2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

I am writing to express Sharp Base Shipping And Transport (Canada) Ltd. perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the

merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Ron Law – President

A handwritten signature in black ink, appearing to read "Ron Law", is written over a horizontal line.

cc: All Parties of Record



The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

Silverado Industries Inc. is a commercial construction company that is based out of Cranbrook, BC. We have worked alongside CP Rail for many projects over the past years to help their visions come to life through design builds such as the Golden Resthouse and currently a Cross Dock Facility in Pitt Meadows as well as many renovations throughout BC. We are also a contractor that maintains CP Rail facilities throughout the Kootenays.

I am writing to express Silverado Industries perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

Silverado Industries
1917 Theatre Road
Cranbrook, BC
V1C 7G3

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Chase Thielen, President & CEO



cc: All Parties of Record

Silverado Industries
1917 Theatre Road
Cranbrook, BC
V1C 7G3



42 Griffin Industrial Point, Cochrane, Alberta, T4C 0A3, Tel: (403) 932-4666, Fax (403) 932-7552

Date: May 26, 2021

Subject: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Letter to STB commenting on CN Trust Proposal

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Dear Ms. Brown:

I am writing to express Slimdor Contracting Ltd. perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.



42 Griffin Industrial Point, Cochrane, Alberta, T4C 0A3, Tel: (403) 932-4666, Fax (403) 932-7552

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

A handwritten signature in black ink, appearing to be "Joe Berard", is written over a horizontal line.

Joe Berard
General Manager

cc: All Parties of Record

R. D. Lee, General Chairperson
E. C. Kosinski, Asst. General Chairperson (E)
E. R. Belew, Vice General Chairperson
K. L. Serres, Vice General Chairperson
J. P. Ciemny, GCA Secretary



General Committee of Adjustment GO-049

June 28, 2021

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Sent via Electronic Filing

Re: STB Docket No. FD 36514 – Canadian National Railway – Control – Kansas City Southern

Dear Madam,

As a General Chairperson of SMART-Transportation Division, representing rail employees on CP (CMQR), CSXT (including the B&O Chicago Terminal Railroad), and several other Class III railroads (WATCO and Genesee and Wyoming Properties), I am writing to communicate our position and the reasons we urge the STB to reject the proposed CN voting trust.

Whereas, in our view, the approval of the CN voting trust by the STB could cause a threat for the entire railway industry – especially those connecting in Chicago – and quite possibly will negatively impact our involved SMART-TD members. Further, approval of the CN voting trust proposal could harm employees of both KCS and CN due to the amount of debt CN will carry and the real possibility that the CN transaction would fail the regulatory test in the end.

When looking at the public financials aspects, CN has stated they intend on carrying significant additional debt of approximately \$19B in addition to their current debt and when factoring in the KCS current debt that load that will then exceed \$30B. This factor has potential to impact jobs, infrastructure and maintenance improvements that will negatively affect employees, shippers, and most importantly public safety.

The CN/KCS transaction is the opposite of an end-to-end merger and would be anti-competitive due to the overlap of existing rail lines and affected customers. The CN already has a high-capacity mainline route from Chicago, IL straight to New Orleans, LA, therefore with CN acquiring KCS there would be no need for parallel routes such as the KCS line from Kansas City through to New Orleans.

By comparison, CPR has a route that extends south only as far as Kansas City, MO. This is CPR's only connection with the KCS. Therefore, rejecting the CN voting trust appears to offer better options for rail shippers and we would further anticipate a pro-growth environment in both business and jobs for SMART-TD members.

If the CN voting trust and proposed merger were granted approval, I would anticipate that job losses on either CN or KCS would ultimately occur because the transaction would require either a sale or abandonment of duplicative rail lines. The consequences for SMART-TD members would therefore be uncertain, adverse, and certainly contrary to the public interest.

Accordingly, for the reasons described above, I encourage the STB to thoroughly consider the implications on this proposed transaction. Consequently, on behalf of the members of the SMART-Transportation Division that I represent, I urge the Board to reject CN's motion to approve its proposed voting trust.

Respectfully Submitted,

A handwritten signature in black ink that reads "Richard D. Lee". The signature is written in a cursive, flowing style.

Richard D. Lee
General Chairperson, SMART-Transportation Division

Attachment

CC: All Parties of Record



—	CN	CN Railway
—	BNSF	BNSF Railway
—	CSX	CSX Transportation
—	KCS	Kansas City Southern
—	KCSM	Kansas City Southern de México
—	UP	Union Pacific
—	NS	Norfolk Southern
—	CP	Canadian Pacific
- - -		Interstate or Highway
—		Mississippi, Ohio and Illinois Rivers

Sam Habjan
General Chairperson
GCA 457



708 N. Locust suite C
Pittsburg, Kansas 66762
620-704-5384 (Office)

**General Committee of Adjustment
457**

June 28, 2021

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423
Sent via Electronic Filing

**Re: STB Docket No. FD 36514 – Canadian National Railway – Control – Kansas City
Southern**

Dear Madam,

As the General Chairperson of SMART-Transportation Division General Committee GCA- 457, I am writing to communicate our position and the reasons we urge the STB to reject the proposed CN voting trust.

The approval of the CN voting trust by the STB would be risky for the railway industry and quite possibly will negatively impact our involved SMART-TD members. Approval of the CN voting trust proposal would harm employees of the KCS due to the amount of debt CN will carry and the real possibility that the CN transaction would fail the regulatory test in the end.

CN has publicly stated they intend on carrying significant additional debt of approximately \$19B in addition to theirs and KCS current debt load that will exceed \$30B, which has potential to impact jobs, infrastructure and maintenance improvements that will negatively affect employees, shippers, and most importantly public safety.

The CN/KCS transaction is the opposite of an end-to-end merger and would be anti-competitive due to the overlap of existing rail lines and affected customers. The CN already has a high-capacity mainline route from Chicago, IL straight to New Orleans, LA, therefore with CN

acquiring KCS there would be no need for parallel routes such as the KCS line from Kansas City through to New Orleans.

If the CN voting trust and proposed merger were granted approval, we fully expect significant job losses on KCS because ultimately the transaction would require either a sale or abandonment of duplicative rail lines. The consequences for SMART-TD members would be uncertain, adverse, and certainly contrary to the public interest.

By comparison, CPR has a route that extends south only as far as Kansas City, MO. This is CPR's only connection with the KCS and we anticipate growth in both rail business and jobs for SMART-TD members. The CN/KCS transaction is just the opposite and would be anti-competitive.

Accordingly, for the reasons described above, I encourage the STB to thoroughly consider the implications on this proposed transaction. Consequently, on behalf of the members of the SMART-Transportation Division General Committee GCA-457, I urge the Board to reject CN's motion to approve its proposed voting trust.

Respectfully,


S.A. Habjan
SMART-TD GCA 457
General Chairperson

CC: All Parties of Record

PETITION

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Sent via Electronic Filing

Re: STB Docket No. FD 36514 - Canadian National Railway - Control - Kansas City Southern

Dear Madam,

Accordingly, for the reasons described above by General Chairman Sam Habjan, KCS, SMART-Transportation Division I/We are employees of Kansas City Southern Railway, confirm I/We have signed this petition in good faith, and encourage the STB to thoroughly consider the implications and reject CN's motion to approve its proposed voting trust and to reject this proposed transaction:

Location:	Printed Name:	Position:	Date:	Signature:
Baton Rouge	John E. McVea	Local/Chairman	6/24/21	John E. McVea
Baton Rouge	Joey D. Stein	yardmaster	6/24/21	Joey D. Stein
Baton Rouge	Michael Anthony	Engineer	6/24/21	Michael Anthony
Baton Rouge	Brandon Jones	switchmen	6/24/21	Brandon Jones
Baton Rouge	Tyler Saurier	Conductor / ENT	6/24/21	Tyler Saurier
Baton Rouge	ALEJANDRO CRUZ-RIO	CONDUCTOR/ENT	6-24-21	Alejandro Cruz-Rio
Baton Rouge	STEVEN BICKHAM	Conductor trainee	6-24-21	Steven Bickham
Baton Rouge	Derrick Gros	Engineer	6-24-21	Derrick Gros
Baton Rouge	Eric Scott	Engineer	6/24/21	Eric Scott
Baton Rouge	Neil Ours	conductor	6-24-21	Neil Ours
Baton Rouge	Andrew Agosto	Conductor	6-24-21	Andrew Agosto
Baton Rouge	Rasheed James	Conductor	6-24-21	Rasheed James
Baton Rouge	Tramaine Norwood	Conductor	6-24-21	Tramaine Norwood
Baton Rouge	Randall Lee	Engineer	6-24-21	Randall Lee
Baton Rouge	CLIFTON S. PATIN	YARDMASTER	6-24-2021	Clifton S. Patin
Baton Rouge	TEDRICK WASHINGTON	YARDMASTER	6-24-2021	Tedrick Washington
Baton Rouge	James T. Hall	Engineer	6-24-2021	James T. Hall
Baton Rouge	Coby J. Landry	CONDUCTOR	6-24-2021	Coby J. Landry
Baton Rouge	Jeremy J. Wright	conductor	6-24-2021	Jeremy J. Wright
Baton Rouge	Sammy's MESSIAH	Conductor	6-24-2021	Sammy's Messiah
Baton Rouge	DAVID JONES	Conductor	6-24-2021	David Jones
Baton Rouge	Hendrick Causey	Engineer/Con	6-24-2021	Hendrick Causey
Baton Rouge	Kevin Gault Sr.	Conductor	6-24-2021	Kevin Gault Sr.
Baton Rouge	Willie L. Hall	Engineer	6-24-2021	Willie L. Hall
Baton Rouge	TIRON L. BILEY	Conductor	6-24-21	Tiron L. Biley
Baton Rouge	STEVEN M. CUTLER	Engineer	6-24-21	Steven M. Cutler
Baton Rouge	Eric L. Lendeman	Engineer	6-24-21	Eric L. Lendeman

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: STB Docket No. FD 36514 – Canadian National Railway – Control – Kansas City Southern

Accordingly, for the reasons described above by General Chairman Sam Habjan, KCS, SMART-Transportation Division I/We are employees of Kansas City Southern Railway, confirm I/We have signed this petition in good faith, and encourage the STB to thoroughly consider the implications and reject CN's motion to approve its proposed voting trust and to reject this proposed transaction:

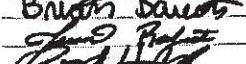
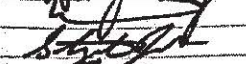
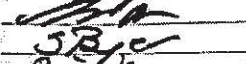
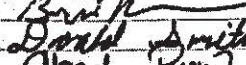
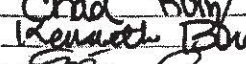
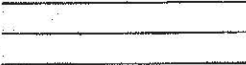
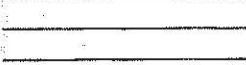
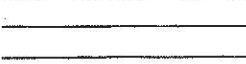
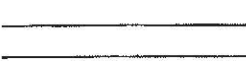
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The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: STB Docket No. FD 36514 – Canadian National Railway – Control – Kansas City Southern

Accordingly, for the reasons described above by General Chairman Sam Habjan, KCS, SMART-Transportation Division I/We are employees of Kansas City Southern Railway, confirm I/We have signed this petition in good faith, and encourage the STB to thoroughly consider the implications and **reject CN's motion to approve its proposed voting trust and to reject this proposed transaction:**

[illegible]

	Print	Sign	Date	Job Title
1	Anthony W. Winget		6-25-2021	Con/Engineer
2	BRIAN C. BARKETT		6-25-2021	CON/ENGINEER
3	Justin W. Roberts		6-25-2021	Conductor
4	Raymond Haskels		6-25-2021	Con/Ent
5	Jordan Sisk		6-25-2021	LOT
6	Grayson Dieber		6-25-21	RR1
7	Johnny L. Carter		6-25-21	Elg.
8	Sandy Wright		6-25-21	LOT
9	H. W. Atson		6-26-21	CON
10	Stephen Jordan		6-26-21	ENG
11	Wesley Parris		6-26-21	ENG
12	Steven Boyer		6-26-21	ENT
13	Brian Haskins		6-26-21	LM
14	Donald Smith		6-26-21	CON
15	Chad Ruiz		6-26-21	CON
16	Kenneth Bradley		6-26-21	EWGR
17	Anthony Jordan		6-26-21	CON
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The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: STB Docket No. FD 36514 – Canadian National Railway – Control – Kansas City Southern

Accordingly, for the reasons described above by General Chairman Sam Habjan, KCS, SMART-Transportation Division I/We are employees of Kansas City Southern Railway, confirm I/We have signed this petition in good faith, and encourage the STB to thoroughly consider the implications and **reject CN's motion to approve its proposed voting trust and to reject this proposed transaction:**

[illegible]



302606

June 24, 2021

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

ENTERED
Office of Proceedings
June 28, 2021
Part of
Public Record

Sent via Electronic Filing

Re: STB Docket No. FD 36514 – Canadian National Railway – Control – Kansas City Southern

Dear Madam,

We, the Legislative Directors of SMART-Transportation Division in the states of Kansas, Missouri, Louisiana, Texas, Mississippi and Illinois, are writing to communicate our position and the reasons we urge the STB to reject the proposed CN voting trust.

The approval of the CN voting trust by the STB would be risky for the railway industry and quite possibly will negatively impact our involved SMART-TD members. Approval of the CN voting trust proposal would harm employees of both KCS and CN due to the amount of debt CN will carry and the real possibility that the CN transaction would fail the regulatory test in the end.

CN has publicly stated they intend on carrying significant additional debt of approximately \$19B in addition to theirs and KCS current debt load that will exceed \$30B, which has potential to impact jobs, infrastructure and maintenance improvements that will negatively affect employees, shippers, and most importantly public safety.

The CN/KCS transaction is the opposite of an end-to-end merger and would be anti-competitive due to the overlap of existing rail lines and affected customers. The CN already has a high-capacity mainline route from Chicago, IL straight to New Orleans, LA, therefore with CN acquiring KCS there would be no need for parallel routes such as the KCS line from Kansas City through to New Orleans.

If the CN voting trust and proposed merger were granted approval, we fully expect significant job losses on either CN or KCS because ultimately the transaction would require either a sale or abandonment of duplicative rail lines. CN has already publicly stated portions of the KCS will be abandoned or sold as a result of this proposed merger if approved. The consequences for SMART-TD members would be uncertain, adverse, and certainly contrary to the public interest.

By comparison, CPR has a route that extends south only as far as Kansas City, MO. This is CPR's only connection with the KCS and we anticipate growth in both rail business and jobs for SMART-TD members. The CN/KCS transaction is just the opposite and would be anti-competitive.

Accordingly, for the reasons described above, we encourage the STB to thoroughly consider the implications on this proposed transaction. Consequently, on behalf of the members of the SMART-Transportation Division in our apprised states, we urge the Board to reject CN's motion to approve its proposed voting trust.

Respectfully Submitted,



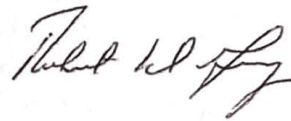
Ty Dragoo
Director, Kansas- SMART-TD



Jason Hayden
Director, Missouri- SMART-TD



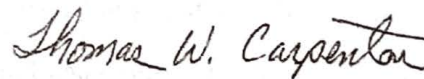
Kamron Saunders
Director, Texas- SMART-TD



Robert Guy
Director, Illinois- SMART-TD



Chris Christianson
Director, Louisiana- SMART-TD



Thomas Carpenter
Director, Mississippi- SMART-TD

CC: All Parties of Record

6/25/2021

RE: CN (Canadian National) Proposed Merger with KCS Railroad

STB (Surface Transportation Board)
395 E. Street SW
Washington, DC 20423

To whom it may concern:

We are writing this letter today to the STB to express and voice our grave concern over the proposed merger of CN with KCS Railroad. As an active shipper on Class 1 railroads throughout the country our company relies on competitive freight rates from the various carriers. The consolidation of these two companies would wipe away competition and lead to unfair pricing and practices. It's really simple when you look at the rail map and see that this transaction would allow CN/KCS the ability to control the largest portion of goods moving from Canada/U.S./Mexico. By definition this is a monopoly!

Furthermore it's obvious the use of a voting trust by CN should not be allowed for this merger. Even the DOJ in a letter to the STB on May 14th, 2021 stated the following.... "The Department's concerns regarding the use of a voting trust in the proposed CP transaction apply with greater force to CN's proposed acquisition of KCS because it raises additional potential competitive concerns. As the Department explained in its prior submission, even the two railroads that are "end to end"---i.e., that do not compete to offer parallel single-line service between the same origin and destination pairs---may still compete with one another in important ways. See Exhibit A at 8-10. CN insists that these competitive concerns are irrelevant to the analysis of the voting trust because the trust is structured so as to prevent the acquiring firm from exercising any control during the pendency of the Board's review. This argument misses the point: the unity of ownership will diminish the parties' incentives to continue to engage in such competition even if the trust successfully prevents the acquiring firm from exercising any actual control

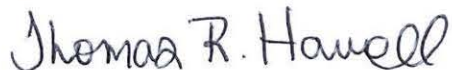
Even though the Board was not persuaded that these incentive concerns should preclude the use of a trust in a CP-KCS merger, a CN-KCS transaction poses additional dangers to competition stemming from the potential elimination of direct, "parallel" competition on routes served by both railroads, for example between Baton Rouge and New Orleans. In addition, even parallel lines that do not presently serve the same origin-destination pairs may be used to compete to attract "build outs" from a shipper served by one railroad to the network of the other, for example on north-south routes through much of Mississippi. These threats to competition would be present immediately after the CN voting trust is consummated. CN managers would have

diminished incentives to compete aggressively against KCS in areas served by both railroads because winning business away from KCS would now hurt CN's shareholders, and vice versa. The specific competitive concerns presented by CN's proposed transaction magnify the general risks associated with voting trusts described in the Department's prior filing. Given the larger number of competitive concerns presented by CN's proposed acquisition, the Department respectfully submits that CN's use of a voting trust would be even more problematic than the use of a voting trust by CP. Also allowing CN to utilize a voting trust would thus appear inconsistent with the Board's view that trusts should "not be used routinely," and only be available on "rare occasions when their use would be beneficial." In order to preserve the Board's ability to protect competition and to thoroughly review the issues presented by a CN acquisition, the Board should not permit CN to enter into a voting trust."

For all of the reasons above and many more it's our hope that the STB will recognize these major implications and the ultimate DECLINE of a competitive landscape in Class I railroads and deny the merger of CN and KCS.

Thanks for your attention to this urgent matter.

Sincerely,



Thomas R. Harvell
Transportation Manager
Stalite Company
tharvell@stalite.com

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

I am writing to express Standard Mechanical Systems perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

STANDARD MECHANICAL SYSTEMS
LIMITED

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Brian Bialczyk (Manager of Operations)



cc: All Parties of Record

EMPLOYEE PETITION

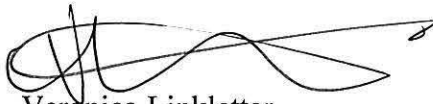
The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Sent via Electronic Filing

***Re: STB Docket No. FD 36514 – Canadian National Railway – Control – Kansas City
Southern***

Please find attached signed Petition Forms that employees/members of TCRC Division 954 have signed and forwarded to me, requesting that on their behalf I file with the Surface Transportation Board in regards to STB ***Docket No. FD 36514*** confirming they **OPPOSE the CN VOTING TRUST**

Respectfully Submitted,



Veronica Linkletter
Vice General Chairperson
Teamsters Canada Rail Conference
Rail Canada Traffic Controllers

CC. Parties of record.

PETITION

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Sent via Electronic Filing

Re: STB Docket No. FD 36514 – Canadian National Railway – Control – Kansas City Southern

Dear Madam,

Accordingly, for the reasons described above by TCRC Division 954 confirm I/We have signed this petition in good faith, and encourage the STB to thoroughly consider the implications and **reject** CN's motion to approve its proposed voting trust and to reject this proposed transaction:

Location:	Printed Name:	Position:	Date:	Signature:
Calgary	Rahul Khuggar	RTC	June 27/2021	Rahul
Calgary	Noah Maine	RTC	June 27/2021	Noah
Calgary	Shawna Kallowsky	RTC	June 27/2021	Shawna
CALGARY	SZO BAGAI	RTC	JUNE 27/21	SZO
CALGARY	ABDOUL A. DIENA	RTC	JUNE 27 2021	Abdou A. Diener.
CALGARY	Alexander Maione	RTC	June 27 2021	Alexander Maione
CALGARY	DUSTIN WAGNER	RTC	June 27 2021	DWagner
Calgary	Ryan Corbett	RTC	June 27 2021	Ryan Corbett
CALGARY	HARDEEP Sidhu	RTC	June 27, 2021	Hardeep Sidhu
Calgary	Sandra Deschamps	RTC	June 27, 2021	Sandra Deschamps
Calgary	Segie Chatwal	RTC	June 27, 2021	S. Chatwal
Calgary	Blake Manuel	RTC	June 27, 2021	Blake Manuel
Calgary	Jeannine Gotski	RTC	June 27, 2021	Jeannine Gotski
Calgary	John Brackenbury	RTC	June 27, 2021	John Brackenbury
Calgary	Carl Brault	RTC	June 27, 2021	Carl Brault
CALGARY	FELICIA LEER	RTC	JUNE 27 2021	FELICIA LEER
CALGARY	William FAUBERT	RTC	June 27 2021	William FAUBERT
CALGARY	BUMORANT	RTC	June 28/21	BUMORANT
Calgary	Chandra Nelson	RTC	June 27/21	Chandra Nelson
Calgary	SEJOY RIVERS	RTC	JUNE 27/21	SEJOY RIVERS
Calgary	Trista Congdon	RTC	June 27/21	Trista Congdon
Calgary	Gael Smith	RTC	June 27/21	Gael Smith
Calgary	Lauralaroque	RTC	JUNE 27/2021	Lauralaroque
Calgary	VIC-DANIEL LIRAZAN	RTC	JUNE 27/2021	VIC-DANIEL LIRAZAN
Calgary	Shannon Taylor	RTC	June 27 2021	Shannon Taylor
CALGARY	DYLAN BACHMEIER	RTC	JUNE 27, 2021	DYLAN BACHMEIER
CALGARY	ALLAN BENOIT	RTC	JUNE 27 2021	ALLAN BENOIT

PETITION

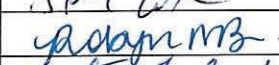
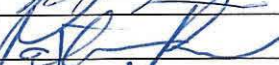
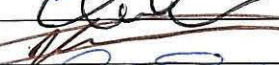
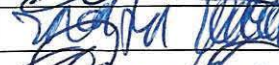
The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Sent via Electronic Filing

Re: STB Docket No. FD 36514 – Canadian National Railway – Control – Kansas City Southern

Dear Madam,

Accordingly, for the reasons described above by TCRC Division 954 confirm I/We have signed this petition in good faith, and encourage the STB to thoroughly consider the implications and **reject CN's motion to approve its proposed voting trust and to reject this proposed transaction:**

Location:	Printed Name:	Position:	Date:	Signature:
Calgary	Michael Bailey	RTC	25/06/2021	
Calgary	124185700	RTC	25/06/2021	
CALGARY	J. McCRACK	RTC	25/06/21	
Calgary	Robyn Maloney Brown	RTC	25/06/21	
Calgary	Lester Trylowski	RTC	25/06/2021	
Calgary	Rostyslaw Maurylyshyn	RTC	25/06/2021	
Calgary	SAND PASNA	RTC	25/06/2021	
Calgary	Amanpreet Brar	RTC	25/06/2021	
Calgary	Daniel Galke	RTC	25/06/2021	
Calgary	Jason Borley	RTC	25/06/2021	
CALGARY	KAYLA MCCRAID	RTC	25/06/2021	
Calgary	Bonnie Bisant	RTC	25/06/2021	
Calgary	Jeff Helmer	RTC	25/06/2021	
Calgary	Jessica Paul	RTC	25/06/2021	
Calgary	Jocci Bruce	RTC	25/06/2021	
Calgary	Phil Friesen	RTC	25/06/2021	
Calgary	Patricia Bouchard	RTC	25/06/21	
Calgary	Selina London	Team Lead	25/06/21	
O'Leary	Chris Clark	RTC	26/06/21	
Calgary	Alex Doherty	RTC	26/06/21	
Calgary	Brendan Squires	RTC	26/06/21	
Calgary	Alexa Antochow	RTC	26/06/21	
CALGARY	ANDREW MICHALAK	RTC	26/06/21	
CALGARY	MARTIN CARDINAL	RTC	26/06/2021	
CALGARY	JOHN DANNLEWEN	RTC	2021/06/26	
Calgary	Kyle Karlzen	RTC	21/06/26	
Calgary	Mitch Gregory	RTC	26/06/21	

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: STB Docket No. FD 36514 – Canadian National Railway – Control – Kansas City Southern

Accordingly, for the reasons described above by TCRC Division 954 confirm I/We have signed this petition in good faith, and encourage the STB to thoroughly consider the implications and reject CN's motion to approve its proposed voting trust and to reject this proposed transaction:



The Arthur Companies

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express The Arthur Companies perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." I am writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new merger rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so – and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have

to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

We think that the costs of allowing a voting trust far outweigh the benefits. We see no real benefits, other than allowing KCS's shareholders to collect billions of dollars without having to bear the burdens and risks of CN and KCS trying to persuade the Board that their deal is in the public interest. That does not seem to be a public benefit at all. Without prejudging how that assessment will turn out, if CN is right that its proposal is great for competition and all stakeholders, there ought not be such a great risk for KCS's shareholders either, and no need for a voting trust.

The costs of allowing a voting trust here, however, are quite significant. In addition to the concern about establishing a precedent for other mergers and constraining the Board's first-ever application of the new merger rules, we see a number of realistic concerns that arise immediately if CN were allowed to use a trust.

First, from our perspective, the most significant cost associated with allowing CN to use a voting trust to complete its acquisition of KCS is the adverse impact that would have on existing competition between KCS and CN.

We are familiar with the rail service offerings of CN and KCS, which are broadly parallel across much of KCS's service territory on the south central United States. Our experience in rail transportation markets confirms that competition between two railroads serving the same points, corridors and regions manifests itself not just where they serve the same specific shipper facilities. Competing railroads like CN and KCS also provide alternative solutions for shipments of the same commodities in the same geographic areas, thereby disciplining one another even where they are not head-to-head alternatives for the same shipper. For example, they serve alternative transloads, alternative grain terminals, alternative receivers or shippers of the same commodity across the regions they both serve, like much of Mississippi, much of Louisiana, Omaha/Council Bluffs, St. Louis, Springfield, and southwestern Illinois.

CN's proposed control of KCS would, of course, do away with all of this competition completely. It may be possible to remedy some of it with targeted access for other rail carriers, but without an independent KCS it would be impossible to remedy all of the harm. Under these circumstances, we would imagine that the Board would not approve CN's proposed control transaction under the new merger rules, which emphasize "enhanced" rather than reduced competition.

But some of the harm would come immediately if CN were allowed to acquire KCS's stock and hold it in a voting trust. As we understand how voting trusts work, CN would receive all of the benefits of owning KCS – including dividends from KCS's profits – even though KCS's management continued to direct the day-to-day functions of that railroad. As a market participant, we cannot imagine that competition between CN and KCS would remain robust if CN knew it would earn profits when KCS was able to win business despite charging higher rates or offering worse service. Why would either of them sharpen their pencils against one another if the profits ended up in the same place: with CN? Ultimately, we agree with the U.S. Department of Justice's observation that "threats to competition would be present immediately after the CN voting trust is consummated."

Second, allowing CN to use a voting trust to complete its acquisition of KCS would eliminate the opportunity for KCS to be acquired by Canadian Pacific and the strong competitive benefits such a transaction would yield.

A CP/KCS transaction promises to create new, better single-line routes from America's Heartland and Canada to the Gulf of Mexico. CN (via its 1998 acquisition of Illinois Central) already reaches the Gulf of Mexico. CN has a high capacity mainline route straight from Chicago to New Orleans. CP, by contrast, has an underutilized route line that only goes as far as Kansas City. CP's only friendly connection at Kansas City is with KCS. Were CP and KCS allowed to combine, CP would have incentives to invest in this route via Kansas City, opening up new competition against CN, BNSF and Union Pacific.

Allowing CN to acquire all of KCS's stock as part of a voting trust transaction would kill this opportunity for enhanced competition. Not only that, it will leave CP and its U.S. network a shadow of a CN/KCS network. CN in the U.S. would be three times the size of CP in the U.S. This kind of competitive imbalance is bad for America's rail network, and we worry in particular about its implications for potential further consolidation.

Making matters worse, CN would get stronger by absorbing KCS's system, much of which is broadly parallel to CN's existing U.S. network. This implies rationalization of assets, not investment in new competitive routes. And it implies a loss of competitive options – both concrete multi-railroad access to individual shippers and more subtle benefits of having multiple railroads near one another to serve as "geographically competitive" options for transload shipments, grain moving to alternate elevators/terminals, build-ins and build-outs, and other means.

We are aware that the Board would consider a proposed CN/KCS under the new merger rules, and therefore could condition it to try to protect competition or disallow the transaction entirely. But that is a reason not to let CN use a voting trust, so that there is no pre-judgment of the outcome of that first-ever new rules assessment, and no foreclosure of a potential CP/KCS transaction and all the competitive benefits it promises.

Third, in its Decision No. 3, the Board pointed to the fact that one aspect of the public interest it needed to consider was the potential financial impact of a transaction on the "total fixed charges" and the "financial integrity" of the rail carriers involved. The Board specifically noted cause for concern relating to CN's proposal to issue over \$19 billion of new debt to finance its purchase of KCS, and the 45% price premium it was proposing to pay.

We share the concerns the Board noted, and believe these factors are compelling reasons why CN should not be able to use a voting trust to complete its purchase – spending all of this money and issuing all of this debt – unless and until the Board has completed its full assessment whether a CN/KCS transaction that would burden the railroad and its customers in this would be in the public interest.

We understand that CN has said it plans to try to demonstrate how its strong balance sheet and financial forecasts will allow it to earn a return on its investment in KCS, and to avoid financial hardship if it has to divest KCS. No matter what showing CN is able to make in this regard, in our view it cannot support a finding that it would be in the public interest to allow CN to buy KCS first and defend its acquisition later.

No matter how strong CN's balance sheet might be, the huge price premium it is paying and massive debt burden will create immediate incentives for CN to extract more revenues from its existing customers. It won't be able to do that with any of the merger "synergies" it plans for several years, so it will have incentives to do it through higher prices for CN's current customers or less investment on CN's network. These incentives arise whether or not CN ends up having to divest KCS.

In addition, if CN is allowed to use a voting trust and the Board ultimately denies CN's application to control KCS, CN would have to divest KCS sometime in 2023. It is hard to imagine CN would be able to get a price for KCS anywhere close to what it agreed to pay. Its high premium seems designed to deny KCS to CP, and no other railroads would be willing (or able) to pay such a high price for KCS. In that scenario, CN would be saddled with massive amounts of debt and no merger synergies with which to recoup them. CN might have to sacrifice investment, downgrade service levels, or increase rates even more in order to overcome the burdens it took on.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust. It can deny CN's proposed voting trust and let CN proceed to convince the Board that its proposal offers compelling public benefits that cannot be achieved any other way, and that the super-premium CN is paying to KCS's shareholders is not contrary to the public interest. Only then should CN be allowed to spend so many billions to acquire KCS.

Respectfully submitted,

Kevin Karel

General Manager

The Arthur Companies

Arthur, ND

A handwritten signature in blue ink, appearing to read 'Karel', is written over a horizontal line.

CC: all parties of record

TRADCO, INC.

TEL.(713)333-9300 FAX(713)333-9307
9400 BAMBOO RD. HOUSTON, TX 77041

June 23, 2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

My name is Federico Gonzalez and I am the President for Tradco, Inc.

Tradco, Inc. Located in 9400 Bamboo Road Houston, TX 77041 is a multi-national company with more than 30 years of operations in Houston and over 45 years of manufacturing in Mexico. Tradco specialize in the distribution of t-post, stakes, rebar, rebar fabrications, and construction accessories.

We depend on the Railroads to move rails and other materials from Canada to Mexico to manufacture our products.

I am writing to express Tradco, Inc. perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

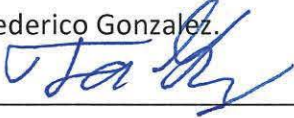
We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Federico Gonzalez.



President

cc: All Parties of Record



BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express Transport Procal's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to

worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

The Board's mandate to consider the public interest when it decides whether to allow a voting trust to be used cannot mean that it must let the railroad with the most cash predetermine the outcome of the regulatory process. The extra billions of dollars CN has offered have given KCS's board of directors no choice but to switch sides and accept CN's offer, but the fact that KCS has required CN to use a voting trust in order to close its transaction shows that KCS understands the difficult regulatory issues that CN's proposal raises. In these circumstances we do not see any public interest benefit to the use of a trust – all it does is get KCS's shareholders consideration without regard to the regulatory risks being imposed on the public interest. Nothing would prevent KCS and its shareholders from deciding to pursue the proposed CN/KCS transaction without the need for CN to use a voting trust. Rejecting the proposed voting trust and allowing KCS to consider whether CN's proposed transaction could in fact be approved by the STB is a better way for KCS and its shareholders to participate in the decision about what path forward for this important railroad is superior.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'J. Boileau', with a long horizontal flourish extending to the right.

Jacques Boileau
President
Transport Procal inc

cc: All Parties of Record



Letter to STB commenting on CN Trust Proposal

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown

Chief, Section of Administration, Office of Proceedings

Surface Transportation Board

395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

Tubular Transport and Logistics LLC

1901 Northern Plains Drive

Bismarck, ND 58504

I am writing to express Tubular Transport & Logistics perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.



We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

The Board's mandate to consider the public interest when it decides whether to allow a voting trust to be used cannot mean that it must let the railroad with the most cash predetermine the outcome of the regulatory process. The extra billions of dollars CN has offered have given KCS's board of directors no choice but to switch sides and accept CN's offer, but the fact that KCS has required CN to use a voting trust in order to close its transaction shows that KCS understands the difficult regulatory issues that CN's proposal raises. In these circumstances we do not see any public interest benefit to the use of a trust – all it does is get KCS's shareholders consideration without regard to the regulatory risks being imposed on the public interest. Nothing would prevent KCS and its shareholders from deciding to pursue the proposed CN/KCS transaction without the need for CN to use a voting trust. Rejecting the proposed voting trust and allowing KCS to consider whether CN's proposed transaction could in fact be approved by the STB is a better way for KCS and its shareholders to participate in the decision about what path forward for this important railroad is superior.

In my opinion the avenue of a voting trust is merely a vehicle to circumvent the 2001 merger rules. I have serious concerns for shippers and transloaders like myself as it limits competition. Limiting competition and options for shippers is never a good thing. It is only good for one entity and in this case that is the CN. Limiting competition raises prices for shippers which ultimately raises prices for consumers which is the opposite effect



that we need to achieve. Furthermore, the CN already has lines in the southern US so what happens to those lines? Do they get abandoned or does the KCS line get abandoned if this is approved? There is nothing good that will come of this CN proposal. In contrast the CP- KCS option is good for competition and opens up markets for shippers that they have never had instead of limiting them which the CN option would do. The CP-KCS option keeps the BNSF, UP and CN honest. That is exactly what we want honest fair prices and new markets for products not limitations.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Justin Glasser

Director of Operations

A handwritten signature in black ink, appearing to read 'Justin Glasser', is written over a horizontal line.

cc: All Parties of Record



675, boul. Lemire Ouest
Drummondville (QC) J2B 8A9
1 855-898-4768
1 819-474-4884
www.grouperpyt.ca

Drummondville, Thursday June 1st, 20221

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

I am writing to express TYT GROUP's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.



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In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

The Board's mandate to consider the public interest when it decides whether to allow a voting trust to be used cannot mean that it must let the railroad with the most cash predetermine the outcome of the regulatory process. The extra billions of dollars CN has offered have given KCS's board of directors no choice but to switch sides and accept CN's offer, but the fact that KCS has required CN to use a voting trust in order to close its transaction shows that KCS understands the difficult regulatory issues that CN's proposal raises. In these circumstances we do not see any public interest benefit to the use of a trust – all it does is get KCS's shareholders consideration without regard to the regulatory risks being imposed on the public interest. Nothing would prevent KCS and its shareholders from deciding to pursue the proposed CN/KCS transaction without the need for CN to use a voting trust. Rejecting the proposed voting trust and allowing KCS to consider whether CN's proposed transaction could in fact be approved by the STB is a better way for KCS and its shareholders to participate in the decision about what path forward for this important railroad is superior.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Patrick Turcotte, President

cc: All Parties of Record

*Rick Raso
President
Président*



*David Lewis
Financial Secretary
Secrétaire
Financière*

*Jashan Gill
Vice President - West
Vice-Président - Ouest*

*Suite A19– 6120 Second Street S.E
Calgary, AB T2H2L8
TEL: (403) 692 -0101 FAX: (403) 692 -0102*

*Karine Desjardins
Vice President East
Vice-Présidente Est*

Re: STB Docket No. FD 36514, Canadian National Railway Company, Grand Trunk Corporation, and CN's Rail Operating Subsidiaries—Control—The Kansas City Southern Railway Company, Gateway Eastern Railway Company, and the Texas Mexican Railway Company

Unifor 's Local 101R respectfully submits these comments regarding the above-captioned potential transaction. We represent approximately 1500 active members (carman, diesel mechanics, machinists and electricians) on Canadian Pacific Railway ("CP"), Canadian network. Unifor's Local 101R submits these comments regarding Canadian National ("CN") and Kansas City Southern's ("KCS") Joint Motion for Approval of Voting Trust Agreement (CN-18/KCS-1), which was filed on May 26, 2021, and urges the Surface Transportation Board ("Board") to reject the proposed CN-KCS voting trust in connection with CN's proffered acquisition of KCS.

Allowing CN to use a voting trust to complete its acquisition of KCS would have adverse effects on our membership through the loss of rail traffic, and the railway industry as a whole, as it would eliminate the opportunity for KCS to be acquired by CP and the strong competitive benefits that a CP/KCS transaction would yield.

Allowing CN to pursue its control of KCS through a voting trust transaction would greatly diminish, if not eliminate, this opportunity for enhanced competition and would disserve the public interest. CN's proposed acquisition of KCS is not an end-to-end transaction, but an overlap of largely parallel rail systems. CN would have no incentive to invest in new competitive routes and its network would become three (3) times the size of CP. This kind of competitive imbalance is bad for the North American rail network and most importantly, their customers, the consumer, and railway employees.

Among Unifor Local 101R's anti-competition concerns is the crushing amount of debt CN will need to take on to finance the premium stock price CN is offering to KCS. While the CN-KCS motion asserts that a merger between them would "mean additional jobs, not cuts," (CN-18 at 15), CN's debt will no doubt rear its head at the bargaining table and will eventually be shouldered by TCU's members and its other represented brothers and sisters working on the railroad in the form of cost cutting. Further, should the transaction fail, we have no way of knowing how CN will recoup this investment and how it will divest the shares, putting CN in an uncertain financial position which will undoubtedly be shared by labour.

*Rick Raso
President
Président*



*David Lewis
Financial Secretary
Secrétaire
Financière*

*Jashan Gill
Vice President - West
Vice-Président - Ouest*

*Suite A19- 6120 Second Street S.E
Calgary, AB T2H2L8
TEL: (403) 692 -0101 FAX: (403) 692 -0102*

*Karine Desjardins
Vice President East
Vice-Présidente Est*

Either way, railroad workers lose with CN's proposed voting trust. The consequences for our members and Union Brothers and Sisters on both sides of the border will likely be adverse and contrary to the public interest.

Accordingly, for the reasons described above and others, we urge the Board to carefully consider the implications on this proposed transaction and those that will follow, both short-term and long-term. Therefore, on behalf of the Unifor's Local 101R members, I urge the Board to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Rick Raso', written over a horizontal line.

Rick Raso
President
Unifor, Local 101R

By ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express Vicinity Transportation's perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

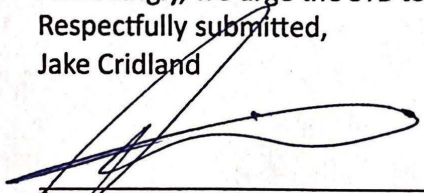
We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

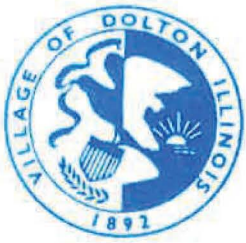
We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to

apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.
Respectfully submitted,
Jake Cridland


cc: All Parties of Record



VILLAGE OF DOLTON

Tiffany A. Henyard.....Mayor
Alison Key.....Village Clerk

TRUSTEES

Kiana L. Belcher	Tammie Brown	Andrew Holmes
Jason House	Brittney Norwood	Edward Steave

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

On behalf of the Village of Dolton, Illinois, which is located along Canadian National (CN) Railway's line in Illinois, I'm writing to express my view on CN's proposed Voting Trust Agreement in connection with its proposed acquisition of Kansas City Southern (KCS). I am concerned about the potential burdens that CN's increased freight rail traffic will have on the Village of Dolton, but currently, no specific information is being shared by regulators. Until much more information is provided regarding local impact, I am writing to express our community's view that CN's proposed use of a voting trust would not be in the public interest.

Illinois has some of the most congested choke points for train traffic in North America. Congestion makes life worse for our residents by threatening public safety by delaying ambulances, fire trucks, school buses and general traffic flow on local streets and highways at grade level. If a merger between CN and KCS is now permitted, we expect it will make the congestion problems in our community substantially worse. In addition, a CN/KCS transaction would cause increases in noise level for residents living near the tracks and increased environmental impacts on local communities for years to come. Undoubtedly, these many harms to the public interest raise serious questions about whether a CN/KCS transaction could pass muster under the 2001 Major Merger Rules.

Respectfully submitted,

Tiffany Henyard, Mayor
Village of Dolton

Cc: All Parties of Record



Municipal Center

4900 Village Commons
Matteson, IL 60443
708-283-4900
Fax: 708-748-5196
www.villageofmatteson.org

Administration

Village Administrator
708-283-4950
Office of the Village Clerk
708-283-4914

Community Development

Building Services
708-481-8313
Fax: 708-748-2326
Planning & Zoning
708-283-4944

Economic Development

708-964-2000

Finance

708-283-4900

Fire Department

3445 211th Street
708-748-5129
Fax: 708-283-6606
Fire Prevention Bureau
708-748-5129
Fax: 708-283-6606

Human Resources

708-283-4949

Police Department

20500 S. Cicero Ave.
Administrative Division
708-748-4085
Fax: 708-748-7364
Non-Emergency
708-748-1564

Public Works

21146 Tower Ave.
Parks Maintenance
708-748-1411
Fax: 708-503-3120
Water Billing Services
708-283-4790

Recreational Services

20642 Matteson Ave.
708-441-4500
Fax: 708-441-4259

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

**Re: Finance Docket No. 36514 – Canadian National Ry. – Control –
Kansas City Southern**

Dear Ms. Brown:

On behalf of the Village of Matteson which is located along Canadian National (CN) Railway's line in Illinois, I'm writing to express my view on CN's proposed Voting Trust Agreement in connection with its proposed acquisition of Kansas City Southern (KCS). I am concerned about the potential burdens that CN's increased freight rail traffic will have on Matteson, but currently, no specific information is being shared by regulators. Until much more information is provided regarding local impact, I am writing to express our community's view that CN's proposed use of a voting trust would not be in the public interest.

Illinois has some of the most congested choke points for train traffic in North America. Congestion makes life worse for our residents by threatening public safety by delaying ambulances, fire trucks, school buses and general traffic flow on local streets and highways at grade level. If a merger between CN and KCS is now permitted, we expect it will make the congestion problems in our community substantially worse. In addition, a CN/KCS transaction would cause increases in noise level for residents living near the tracks and increased environmental impacts on local communities for years to come. Undoubtedly, these many harms to the public interest raise serious questions about whether a CN/KCS transaction could pass muster under the 2001 Major Merger Rules.

The Board will have to study the matter very carefully. In the meantime, though, it would be bad policy to let CN complete its acquisition before that review takes place. Accordingly, we urge the Board to reject CN's proposed voting trust and decline to put ownership of KCS shares in the hands of CN during what is bound to be a lengthy and serious review process. Allowing CN to close KCS into trust would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the new merger rules. Simply put, the Board does not need to play Russian Roulette with the U.S. rail network. It can deny CN's voting trust and let CN convince the Board that the proposed transaction succeeds on the merits.

**Municipal Center**

4900 Village Commons
Matteson, IL 60443
708-283-4900
Fax: 708-748-5196
www.villageofmatteson.org

Administration

Village Administrator
708-283-4950
Office of the Village Clerk
708-283-4914

Community Development

Building Services
708-481-8313
Fax: 708-748-2326
Planning & Zoning
708-283-4944

Economic Development

708-964-2000

Finance

708-283-4900

Fire Department

3445 211th Street
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Fax: 708-283-6606
Fire Prevention Bureau
708-748-5129
Fax: 708-283-6606

Human Resources

708-283-4949

Police Department

20500 S. Cicero Ave.
Administrative Division
708-748-4085
Fax: 708-748-7364
Non-Emergency
708-748-1564

Public Works

21146 Tower Ave.
Parks Maintenance
708-748-1411
Fax: 708-503-3120
Water Billing Services
708-283-4790

Recreational Services

20642 Matteson Ave.
708-441-4500
Fax: 708-441-4259

Respectfully submitted,

A handwritten signature in cursive script, reading 'Sheila Chalmers-Currin'.

Mayor Sheila Chalmers-Currin

_____-Cc: All Parties of Record



JUNE 28, 2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

On behalf of the Village of Richton Park which is located along Canadian National (CN) Railway's line in Illinois, I'm writing to express my view on CN's proposed Voting Trust Agreement in connection with its proposed acquisition of Kansas City Southern (KCS). I am concerned about the potential burdens that CN's increased freight rail traffic will have on Richton Park, but currently, no specific information is being shared by regulators. Until much more information is provided regarding local impact, I am writing to express our community's view that CN's proposed use of a voting trust would not be in the public interest.

Illinois has some of the most congested choke points for train traffic in North America. Congestion makes life worse for our residents by threatening public safety by delaying ambulances, fire trucks, school buses and general traffic flow on local streets and highways at grade level. If a merger between CN and KCS is now permitted, we expect it will make the congestion problems in our community substantially worse. In addition, a CN/KCS transaction would cause increases in noise level for residents living near the tracks and increased environmental impacts on local communities for years to come. Undoubtedly, these many harms to the public interest raise serious questions about whether a CN/KCS transaction could pass muster under the 2001 Major Merger Rules.

The Board will have to study the matter very carefully. In the meantime, though, it would be bad policy to let CN complete its acquisition before that review takes place. Accordingly, we urge the Board to reject CN's proposed voting trust and decline to put ownership of KCS shares in the hands of CN during what is bound to be a lengthy and serious review process. Allowing CN to close KCS into trust would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the new merger rules. Simply put, the Board does not need to play Russian Roulette with the U.S. rail network. It can deny CN's voting trust and let CN convince the Board that the proposed transaction succeeds on the merits.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Rick Reinbold', is written over a light blue circular seal that contains the text 'VILLAGE OF RICHTON PARK' and 'ILLINOIS'.

Rick Reinbold

Cc: All Parties of Record

Mayor

Darren E. Bryant

Village Clerk

Sharon S. Dyson

Village Administrator

Todd Stroger



Board of Trustees

David R. Dyson

George Brewton

Ernest Maxey

Tiffany S. Robinson

Michael Collier Sr.

Gregory N. Jackson

6/28/2021

BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

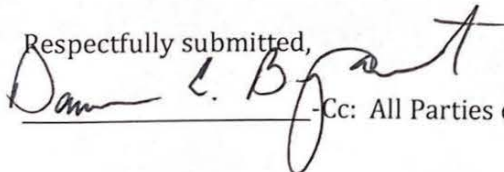
Dear Ms. Brown:

On behalf of the Village of Robbins which is located along Canadian National (CN) Railway's line in Illinois, I'm writing to express my view on CN's proposed Voting Trust Agreement in connection with its proposed acquisition of Kansas City Southern (KCS). I am concerned about the potential burdens that CN's increased freight rail traffic will have on Robbins, but currently, no specific information is being shared by regulators. Until much more information is provided regarding local impact, I am writing to express our community's view that CN's proposed use of a voting trust would not be in the public interest.

Illinois has some of the most congested choke points for train traffic in North America. Congestion makes life worse for our residents by threatening public safety by delaying ambulances, fire trucks, school buses and general traffic flow on local streets and highways at grade level. If a merger between CN and KCS is now permitted, we expect it will make the congestion problems in our community substantially worse. In addition, a CN/KCS transaction would cause increases in noise level for residents living near the tracks and increased environmental impacts on local communities for years to come. Undoubtedly, these many harms to the public interest raise serious questions about whether a CN/KCS transaction could pass muster under the 2001 Major Merger Rules.

The Board will have to study the matter very carefully. In the meantime, though, it would be bad policy to let CN complete its acquisition before that review takes place. Accordingly, we urge the Board to reject CN's proposed voting trust and decline to put ownership of KCS shares in the hands of CN during what is bound to be a lengthy and serious review process. Allowing CN to close KCS into trust would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the new merger rules. Simply put, the Board does not need to play Russian Roulette with the U.S. rail network. It can deny CN's voting trust and let CN convince the Board that the proposed transaction succeeds on the merits.

Respectfully submitted,


-Cc: All Parties of Record



2317 16th Street P.O. Box 669
Didsbury Alberta T0M 0W0

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Email: admin@west-cansealcoating.com
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BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – Canadian National Ry. – Control – Kansas City Southern

Dear Ms. Brown:

I am writing to express West-Can Seal Coating Inc. perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to the proposed voting trust process under the 2001 Major Merger Rules and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust for any merger under the 2001 Major Merger Rules would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether any proposed control transaction would ultimately be found consistent with the public interest and would not cause substantial financial harm to one or both railroads is cause to conduct a full and thorough review of the transaction instead of allowing a trust.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a



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precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely. Ultimately, we do not support any approach that creates an easier path to future mergers under the 2001 Major Merger Rules.

Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Matthew Arnill
West-Can Seal Coating Inc.

A handwritten signature in blue ink, appearing to read 'Matthew Arnill', is written over a horizontal line.

cc: All Parties of Record



17-3010 Diefenbaker drive, Saskatoon SK S7L7K2

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By Electronic Filing

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express WestX Logistics Ltd.'s perspective on Canadian National's ("CN's") proposal to use a voting trust in connection with its proposed acquisition of Kansas City Southern. In Decision No. 3, the Board explained that it will adopt a "more cautious approach" to CN's proposed voting trust and will consider whether allowing the use of a voting trust would be consistent with the public interest in light of the "potential benefits and costs of such use." We are writing to express our view that the use of a trust in this proceeding would not be in the public interest.

We have not formed a definitive view regarding the public interest consequences of CN's proposed acquisition of control of KCS, but we welcome the fact that the Board has confirmed its intention to consider whether that transaction is in the public interest under the Board's 2001 Major Merger rules. As the Board acknowledged in Decision No. 3, those rules place "heavier burden[s] on merger applicants to show that a major rail consolidation is consistent with the public interest" and give the Board much greater discretion to disapprove proposed transactions or impose extensive conditions aimed at ensuring that they serve the public interest.

We think the fact that the Board cannot (and should not) pre-judge whether CN's proposed control transaction would ultimately be found consistent with the public interest after 18+ months of review under the new rules is exactly why the Board should not allow CN to use a voting trust to complete its acquisition first



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and have it reviewed later. CN would be spending tens of billions of dollars to buy KCS, and there is no way to be confident that it could ever recoup that investment were it required – more than a year and a half from now – to divest KCS. The unpredictable consequences of having to do so, and of leaving ownership of KCS shares in the hands of CN all that time – would inevitably encumber the Board's evaluation of the first-ever major merger to be reviewed under the 2001 rules. The Board should not have to worry about the consequences of KCS coming out of trust as it decides whether to allow CN to take control of KCS, or how extensive the conditions need to be for it to do so.

In addition, this is the first time the Board will be applying the 2001 merger rules, both on the merits and in considering whether to allow a voting trust. It would not be consistent with the public interest to rubber stamp use of a voting trust here when doing so could create a precedent that both encourages additional rail mergers and also limits the Board's freedom to apply the 2001 merger rules the way they were intended – meaning that disapproval or extensive conditions are much more likely.

The Board's mandate to consider the public interest when it decides whether to allow a voting trust to be used cannot mean that it must let the railroad with the most cash predetermine the outcome of the regulatory process. The extra billions of dollars CN has offered have given KCS's board of directors no choice but to switch sides and accept CN's offer, but the fact that KCS has required CN to use a voting trust in order to close its transaction shows that KCS understands the difficult regulatory issues that CN's proposal raises. In these circumstances we do not see any public interest benefit to the use of a trust – all it does is get KCS's shareholders consideration without regard to the regulatory risks being imposed on the public interest. Nothing would prevent KCS and its shareholders from deciding to pursue the proposed CN/KCS transaction without the need for CN to use a voting trust. Rejecting the proposed voting trust and allowing KCS to consider whether CN's proposed transaction could in fact be approved by the STB is a better way for KCS and its shareholders to participate in the decision about what path forward for this important railroad is superior.



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Accordingly, we urge the STB to reject CN's motion to approve its proposed voting trust.

Respectfully submitted,

Rick Pannu, President, Westx Logistics Ltd.

cc: All Parties of Record

Westx logistics Ltd.

President :Rick pannu.

Contact: 306-717-6783

Signature

Rick Pannu
17 June 21



6/22/2021

RE: CN (Canadian National) proposed Merger with KCS Railroad
STB (Surface Transportation Board)
395 E Street SW
Washington, DC 20423

To whom it may concern,

Berry Pallets purchases several rail cars of lumber from mills across North America. Currently we purchase about 150 cars a year and are expected to purchase 300+ a year starting soon with some new machinery we have purchased. We at Berry Pallets oppose this merger with CN and KCS. We do however support a merger with CP and KCS. CN is very difficult to do business with mostly resulting in delayed shipments. Several of our cars we use originate from CN serviced lumber mills, so we are familiar with how they operate. There are no good trans loads for CN. CP however have several great trans load locations but is cost prohibitive to transfer between CP and CN. We currently do a CN to a UP interchange at a small charge but UP is slow as processing the cars. All of this leads to us having to pay higher costs to get our lumber to our door and our customers having to pay more for their products. This could lead to us not being as competitive in the market place and could restrict our growth as a company.

If you have any questions or concerns on what is stated above, please call me at 507-835-5056.

Thank you,

Richard Berry
President
Berry Pallets, Inc.
Office: 507-835-5056
Fax: 507-835-5088
Email:
general@berrypallets.com
richard@berrypallets.com



11930 Perkins Rd. Ste B
Baton Rouge, LA 70810

Distinguished Members of The Surface Transportation Board:

As partner in a small construction company, I am concerned by the proposed merger of KCS railroad and Canadian National Railroad. The rise in the price of building materials of all types over the past year has been breathtaking. A rise in transportation costs across materials has only exacerbated the spike in end user prices. Rail serves an important role in the transportation network for a number of building materials, including lumber. This proposed merger will reduce competition in the market and eventually raise costs for all builders, businesses, and potential homeowners by further driving up freight costs.

Currently, in Louisiana, these two rail lines compete for business over parallel portions of their networks. They provide key connections for import markets as well as domestic transportation. This competition will be even more important now that trade with Canada and Mexico is expected to increase. This will be especially true if tariffs on Canadian lumber are reduced, and that lumber becomes a potential source of relief for sky-high prices. The overall size of the combined company paired with the significant overlap in route offerings will reduce competition.

The rise in costs across construction materials has already driven up the price of new homes dramatically in the last eighteen months. This has reduced, and will continue to reduce, housing affordability across Louisiana. This is not the time to further exacerbate the problem with reduced competition in transportation.

I strongly urge you to reject the CN – KCS merger. The original proposed merger between Canadian Pacific railroad and KCS is better for businesses and consumers alike, and you should strongly consider approving that merger. Unlike the CN – KCS merger, a combination of KCS with CP would enhance competition in Louisiana. These two railroads have mostly complementary routes and would remain relatively small enough in all markets that they would have to continue to vigorously compete.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Richard Bond', written over a horizontal line.

Richard Bond, Owner
Bond Construction Co., LLC



Interstate Asphalt Corp.
3301 S. California Ave.
Chicago, IL 60608
(954) 769-9500

June 25, 2021

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36514 – *Canadian National Ry. – Control – Kansas City Southern*

Dear Ms. Brown:

I am writing to express Interstate Asphalt's perspective on Canadian National's ("CN's") proposal to purchase Kansas City Southern ("KCS"), especially when viewed in relation to the alternate offer from Canadian Pacific ("CP").

In our opinion in relation to the CP merger, the CN transaction would not provide as great a competitive benefit to the market in the region KCS currently serves. CN and KCS rail service offerings broadly parallel across much of KCS's existing service territory. The same customers and products can currently use CN or KCS. Conversely, most of KCS's service territory would be new markets to CP.

Interstate would benefit from the CN merger by eliminating switch fees only, likely not with rates. The CP transaction would eliminate switch fees, as well as increase competition, impacting rates. Our experience in rail transportation markets indicates the more competition between railroads in a service area provides the most competitive rates.

As a wholesaler of asphalt, Interstate Asphalt ships significant quantities of product from western Canada, as well as Western and Gulf Coast regions of the United States. Freight is a significant cost for consideration of such supply to remain a low cost supplier to keep our customers competitive in this highly competitive, hard bid industry.

Regards,

Brian A. Inniger
President



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www.landmark.coop

05/13/2021

ATTENTION: Surface Transportation Board

RE: STB Finance Docket No. 36500
CP-KCS Potential Combination

Landmark Countrysdie Cooperative hereby files this letter to re-iterate its support for the CP-KCS combination.

As expressed in our initial letter to the Board dated 03/26/2021, we support swift approval of the CP-KCS combination because of the significant benefits the combination would bring, including expanded markets and port options, improved service options, and invigorated transportation competition. The combination of CP and KCS would give our cooperative better opportunities to serve our members.

From our perspective, the best combination involving KCS that is in the public interest is the one that CP has proposed. A CP/KCS deal would bring direct access for our members to ports in the Gulf of which the CN already has direct access without the addition of the KCS. Objectively, the acquisition of KCS by CN could result in harm to competition because the two railroads today serve many locations and shippers in common. They operate parallel lines between Baton Rouge and New Orleans and Eastern Mississippi; they both serve grain and other shippers in large swaths of the Midwest and Southern United States; and they both reach the port of Mobile, Alabama. The fundamental concern is, between the Upper Midwest and Gulf Coast, a CN/KCS combination would reduce the number of independent routing options from four to three.

We expect a combined CP/KCS network to offer seamless, single-line service that will improve our transportation options and provide a better alternative to the options that already exist.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Josh Grunnet", is written over a horizontal line.

Josh Grunnet
Senior Merchandiser
05/13/2021



LEECONTAINER
Our Containers. Your Success.

6-17-21

RE: CN (Canadian National) proposed merger with KCS Railroad

STB (Surface Transportation Board)
395 E Street SW
Washington, DC 20423

To whom it may concern:

I am writing this letter on behalf of Lee Container to the STB in regards of the CN and KCS railroad merger. Lee Container is an active shipper on the railroads throughout the country and relies heavily on that supply chain for day to day operations. It is imperative to our business model that rail continues running efficiently and sustains viable material pricing. The consolidation of these two companies would eliminate competition and lead to unfair pricing.

There is also a concern regarding their day to day operations. Any negative operational practices could not be addressed by utilizing another rail company. This would create a single company entity sole domination of moving goods from Canada/US/Mexico corridor. The Department of Justice has submitted similar concerns to the STB in a letter on May 14th, 2021 regarding the use of a voting trust in the proposed CN's acquisition of KCS. "That it would raise additional potential competitive concerns." A monopoly of this nature would limit the end customer's choice to freight options.

Considering the wide range of concerns expressed to the STB just regarding the elimination of competition in the market, the clear decision is to deny the CN and KCS merger.

Lee Container hopes that you recognize the severity of issue that is before the STB, and ultimately denies the CN and KCS merger.

We appreciate your consideration in this matter.

Sincerely,

Jay Dillard

Administrative Coordinator

Lee Container
2800 Industrial Park Rd
Centerville, IA 52544



**Minnesota Northern Railroad
Dakota Northern Railroad
St. Croix Railroad
P.O. Box 705
28997 255th Ave SW
Crookston, Minnesota 56716 – 0705
(218) 281 - 4704**

May 11, 2021

ATTENTION: Surface Transportation Board

RE: STB Finance Docket No. 36500
CP-KCS Potential Combination

Minnesota Northern Railroad hereby files this letter to express its concerns to the bid by CN to acquire KCS and re-iterate its support for the CP-KCS combination.

As expressed in our initial letter to the Board dated, we support swift approval of the CP-KCS combination because of the significant benefits the combination would bring, including expanded markets and port options, improved service options, and invigorated transportation competition. The combination of CP and KCS would also provide great access to fertilizers for farmers in a cost-effective manner.

By contrast, a CN acquisition of KCS would lead to a reduction in competition and deprive shippers of the many tangible benefits offered by the CP/KCS deal. Specifically, if CN were to acquire KCS,

The merged firm would not provide a single-line haul, competitive option into the markets south of Kansas City.

From our perspective, the only combination involving KCS that is in the public interest is the one that CP has proposed. Unlike the CP/KCS combination, the acquisition of KCS by CN would result in harm to competition because the two railroads today serve many locations and shippers in common. Indeed, they operate parallel lines between Baton Rouge and New Orleans and Eastern Mississippi; they both serve grain and other shippers in large swaths of the Midwest and Southern United States; and they both reach the port of Mobile, Alabama. Even more fundamentally, between the Upper Midwest and Gulf Coast, a CN/KCS combination would reduce the number of independent routing options from four to three.

We expect a combined CPKC network to offer seamless, single-line service that will improve our transportation options and provide a better alternative to the options that already exist. A CN-KCS combination would limit competitive carrier options to markets and ports south of Kansas City.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jason Bierwerth", written over a horizontal line.

Jason Bierwerth
Manager of Operations
May, 11 2021

**From the Desk of
State Representative Mike Brandenburg
Legislative District 28
Edgeley, ND**

As a state legislator, I care about what happens in our state. I was encouraged when I saw an announcement by Canadian Pacific (CP) and Kansas City Southern (KCS) to combine routes. I'm optimistic, after reviewing the plan by CP and KCS to merge, that this would have a tremendously positive impact on our state. Currently, in North Dakota, shippers and farmers have limited rail options and often have to use multiple railroads to get products to their destination. The proposed combination will create the first, single-line rail route spanning from Canada, through the U.S., and down into the southern parts of Mexico.

A new single line rail offering will ensure North Dakota farmers, manufacturers, and refineries are able to get their products to market quickly, without the hassle of switching routes which can lead to delays. Our state relies heavily on trade, especially with our neighbors to the north and south. A merger between CP and KCS will make it so shippers can rely on one line to get products to Canada, Mexico, or down to the Gulf Coast to be shipped all over the world. Producers in North Dakota have a pent up desire to increase trade spurred by the new USMCA agreement; we expect to see new exports flourish this year.

Understandably, the announcement by CP and KCS made headlines as the first major rail merger since the 20th century, and has quickly earned support from hundreds of stakeholders. This attention, however, has also received the focus from a competitor, Canadian National (CN), which made its own, unsolicited offer to purchase KCS. This new offer would be disastrous for North Dakota.

First, the CN and KCS merger would be anti-competitive, leading to fewer options for shippers along the impacted route. In multiple locations, CN and KCS actually have overlapping routes and currently compete for business. Once merged, CN would no longer have to compete with KCS, and current routes may be decommissioned, which would eliminate existing options.

Second, the CN route doesn't reach North Dakota. There will be a huge missed opportunity for our communities if this deal goes through. Shippers in North Dakota will not be a part of the CN-KCS merger and will not see the benefits a single line rail could bring.

Examining the details of the two major railroad proposals, there is a clear winner. The CP-KCS merger is good for North Dakota and good for the U.S. as a whole. Both proposals are now before the Surface Transportation Board (STB). I hope the STB will carefully review the facts and consider what is truly in the best interest of the public. I urge the STB to reject the CN-KCS proposal, and KCS to reconsider its original plan with CP.

Regards,

Mike Brandenburg

Representative Mike Brandenburg
701.709.0237 mbrandenberg@nd.gov