

Mr. Waldron,

By way of introduction, my name is Roddy Boyd and I'm an investigative reporter specializing in financial/capital markets work at the donor-supported, non-profit [Southern Investigative Reporting Foundation](#). On the foundation's website please find a [tab](#) for the CV outlines of myself and SIRF's board of directors and the [tab](#) for the foundation's documents. A disclosure: neither myself, the foundation nor anyone working for it profits from the movement of a security's price, including CN's, and no one--apart from our legal representation--is aware of when we will release a story.

(A more informal, conversational intro to what I am doing with SIRF and why is found [here](#), in an interview with a former colleague.)

I'm writing a story that deals with CN's relationship to Metrolinx, specifically its billing for the work on the Lakeshore West construction program last decade. It appears that the project was unusually expensive. Based on a series of interviews with current and former CN employees, we have obtained a series of documents that inform our reporting. It appears that many of the issues emerging from my reporting also were raised in the Metrolinx investigation in the Ontario Auditor General's annual report.

Please have the answers to these questions back to me by wednesday evening and to keep matters simple, everything should be considered on-the-record.

SIRF's practice with respect to questions and answers is designed to be different than much of the business press: we excerpt the most relevant component of a response within the story's main body and then link to a PDF of the answer in full, below the question as it was posed, also within the main body.

1. Metrolinx released an internal audit in April 2015 of the Lakeshore West that says the Lakeshore West construction program 2004-2008 cost "over \$200 million." What was the full value of the construction work CN performed for Metrolinx on the entirety of the Lakeshore West? How much land (track) did CN sell Metrolinx and what was the value of it?

2. The report notes that CN would not give Metrolinx audit rights on the project. Why?

3. With respect to the April '15 Metrolinx audit, interviews with current and former CN construction officials reveals that the only substantive construction program that occurred in 2004-2008 was the Lakeshore West/West program, between Burlington and Hamilton. Other programs, such as the Lakeshore West/East work between Port Credit and Kerr Street, started in 2009. Upon

completion, what was the value of the LW/W work (2004-2008) and that of the LW/E?

4. The two emails dealing with ordering turnouts for the LW/W: why would a commuter rail line need 25 turnouts? Did Metrolinx (GO Transit) pay for the extension of the Aldershot lead? What was the value of this construction?

5. Vanderhelm email: Interviewees say that the approximately \$3.66 million of labor/material he was asking about was not incurred and thus became so called betterments. Does CN dispute this?

6. Per the cost structure document, if in the timeframe discussed it cost \$1.12mm to build one mile of mainline track with one #20 switch installed, please explain why VIA was charged \$3mm for a mile (page four of the attached press release) but Metrolinx, per the Daryl Barnett authored email attached, was charged \$10mm?

7. Several former CN executives who told me that at the 2004 railway construction unit party at the Deerhurst resort, Eastern Region engineering chief Manny Loureiro called railroad construction engineering chief Daryl Barnett and instructed him to transfer his unit a sum that became \$14mm (from an account holding \$28mm in advanced Metrolinx funds for the purchase of signal equipment.) Does CN wish to comment on this?