

CANADIAN NATIONAL RAILWAY COMPANY

U.S. EMPLOYEE SHARE INVESTMENT PLAN

Effective as of September 1, 1997

Amended as of November 9, 1998

Amended and restated as of July 1, 1999

Amended as of January 1, 2000

Amended as of January 1, 2001

Amended and restated as of January 1, 2003

Amended and restated as of January 1, 2005

Amended as of December 31, 2018

Amended as of May 11, 2020

Certified true copy
as filed with the corporate records
of Canadian National Railway Company
on _____:

Per: Dorothea Klein
Senior Vice-President and Chief Human Resources Officer

**CANADIAN NATIONAL RAILWAY COMPANY
U.S. EMPLOYEE SHARE INVESTMENT PLAN
(as amended as of May 11, 2020)**

1. PURPOSE

The purpose of this Plan is to provide Employees with an opportunity to participate in the ownership of the Company on an ongoing basis through purchases of Shares. The Plan was established effective September 1, 1997 and the Shares were registered pursuant to a registration statement (Form S-8) filed with the Securities and Exchange Commission on August 29, 1997. The Plan is not subject to any provisions of the Employee Retirement Income Security Act of 1974, as amended. The total number of Shares subject to purchase and distribution under this Plan is three million four hundred eighty-three thousand two hundred fifty-one (3,483,251).

2. DEFINITIONS

As used in the Plan:

"Administrator" means such administrator as may be appointed by the Company, from time to time, to manage the Asset Fund and assist the Company in managing the Plan.

"Affiliate" means any affiliate of the Company designated by the Company for the purposes of the Plan. The affiliates so designated are enumerated in Schedule A, as can be adjusted by the Company from time to time.

"Asset Fund" means the assets of the Plan held by the Administrator, as described in this Plan, consisting of the Participant Contributions, the Shares (other than the Non-Vested Shares) and the income derived therefrom, the whole as more fully set out at paragraph 7.1.

"Board" means the board of directors of the Company.

"Business Day" means a day on which chartered banks are open for business in Montreal.

"Committee" means the Human Resources and Compensation Committee of the Board or such other committee as may be designated by the Board, except that where a particular action is required to be taken by the Board by virtue of any legislation, bylaws of the Company, or otherwise, the relevant references to the Committee shall be deemed to be references to the Board.

"Company" means Canadian National Railway Company and any successor corporation, and any reference herein to any action to be taken by the Company means action by or under the authority of the Board.

"Employee" means a permanent regular full-time or part-time United States resident employee of the Company or of an Affiliate who has been assigned a Personal Identification Number, but does not include: (a) an inactive employee in respect of whom a decision to cease employment has been made; (b) an individual whose services have been engaged by the Company on a temporary basis and who is not eligible to participate in other benefit programs of the Company or an Affiliate; or (c) an employee who is represented by a bargaining agent which has not negotiated a collective bargaining agreement stipulating the eligibility of its members for the Plan.

"Employer Contributions" means contributions made to the Plan by the Company or by each Affiliate pursuant to section 6.

"Enrollment/Modification Process" means a process through which an Employee enrolls in the Plan or changes his or her level of contribution in the Plan, established and managed by the Administrator electronically or by phone.

"Fair Market Value" means the market value of one Share and shall be calculated on the basis agreed upon by the Company and Trustee from time to time.

"Non-Vested Shares" means Shares which have not vested pursuant to paragraph 6.2.

"Participant" means an Employee who has enrolled in the Plan.

"Participant Contributions" and **"Participant Excess Contributions"** means contributions made to the Plan by a Participant pursuant to section 5.

"Pay Period" means the Participant's pay period.

"Plan" means this Employee Share Investment Plan, as it may be amended from time to time.

"Plan Year" means any calendar year during which the Plan is in force.

"Restricted Shares" means Shares which, if sold or transferred by a Participant before underlying Non-Vested Shares become vested, will result in the loss and forfeiture of all Non-Vested Shares, pursuant to paragraph 6.2.

"Retirement" means, with respect to a Participant, that such Participant has terminated his or her employment with the Company or one of its Affiliates and that upon the Participant's last day of work occurring the earlier of which he or she (a) has reached fifty-five (55) years of age and completed a minimum of twelve (12) years of continuous service; or (b) has reached sixty (60) years of age and completed a minimum of seven (7) years of continuous service, as an employee of the Company or one of its Affiliates and has not been terminated for cause (other than mental or physical incapacity).

"Salary" means the gross base salary of the Employee for the relevant period, excluding overtime, bonuses, and other special or one-time payments received in that period. Notwithstanding the foregoing, where the Employee works in train and engine road service, including performing spareboard relief for road service, "Salary" shall mean the target salary level determined by the Committee with respect to the Employee from time to time.

"Sale Request" means the process by which a Participant submits to the Administrator, electronically or by phone, a formal request to sell Shares from his or her personal Plan account.

"Shares" means shares without nominal or par value of the common stock of the Company.

"Transfer Request" means the process by which a Participant submits to the Administrator, electronically or by phone, a formal request to transfer Shares to an account outside of the Plan.

"Trust Fund" means the assets of the Plan held by the Trustee, consisting of the Employer Contributions, the Non-Vested Shares and the income derived therefrom, the whole as more fully set out at paragraph 7.1.

"Trustee" means such trustee as may, from time to time, be appointed by the Company, from time to time, to manage the Trust Fund and assist the Company in managing the Plan.

"Unrestricted Shares" means Shares which are no longer subject to trading restrictions, once Non-Vested Shares become vested pursuant to paragraph 6.2.

"Vested Shares" means Shares acquired through Employer Contributions, and Shares acquired through the reinvestment of dividends received thereon, once they have vested pursuant to section 6.2.

3. REGULATORY APPROVAL

This Plan is subject to all necessary regulatory approvals.

4. ELIGIBILITY

4.1 Eligible Employees - Each Employee shall be eligible to participate in the Plan.

4.2 No Effect on Employment - The terms of employment of an Employee shall not be affected by his or her participation in the Plan. Under no circumstances shall any person who is or has at any time been a Participant be able to claim from his or her employer or any related person any sum or other benefit to compensate him or her for loss of any rights or benefits under or in connection with this Plan or by reason of his or her participation herein.

4.3 Enrollment/Modification Process - Each Employee may elect to participate in the Plan through the Enrollment/Modification Process. Enrollment into the Plan shall constitute acceptance by the Employee of all terms and conditions of the Plan and of any regulations adopted or to be adopted pursuant to paragraph 13.1.

5. PARTICIPANT CONTRIBUTIONS

5.1 Amount of Contributions - The Employee shall indicate the amount of Participant Contributions he or she wishes to make through the Enrollment/Modification Process. Such amount of Participant Contributions must be equal to any whole percentage of the Participant's Salary from 1 percent to 10 percent, or such lesser percentage as agreed with the certified bargaining unit to which the Participant belongs ("Participant Contributions"). Any Participant Contributions, excluding any lump sum Participant Contributions made pursuant to paragraph 5.5, above 6 percent of the Participant's Salary, shall be referred to as "Participant Excess Contributions".

In the event that the Salary of a Participant varies at any time in the course of a Plan Year, the Participant Contributions of such Participant shall be automatically adjusted accordingly in order to remain equal to the selected percentage of the Participant's Salary.

5.2 Payroll Deductions - Each Participant shall make Participant Contributions to the Plan by regular scheduled payroll deductions at the end of each Pay Period, each payroll deduction being in an amount equal to the percentage of such Participant's Salary for such Pay Period selected by the Participant through the Enrollment/Modification Process. The Participant Contributions in any given Plan Year shall be made on the basis of the year of receipt of the Salary from which such Participant Contributions are deducted. Participant Contributions shall commence as soon as practicable but in no event later than the first Pay Period following the Pay Period in which the Employee enrolls into the Plan through the Enrollment/Modification Process.

5.3 Modification of Contributions - A Participant may modify the amount of his or her Participant Contributions to the Plan up to four (4) times in any Plan Year, through the Enrollment/Modification Process. Such modification shall take effect as soon as practicable but in no event later than the first Pay Period following the Pay Period in which the Participant modifies his or her Participant Contribution through the Enrollment/Modification Process, at which time the Participant Contributions shall be adjusted accordingly, provided such adjustment conforms with paragraph 5.1.

5.4 No Retroactive Contributions - A Participant may not make retroactive Participant Contributions to the Plan, unless the Committee determines otherwise.

5.5 No Lump Sum Contributions - A Participant may not make lump sum Participant Contributions to the Plan, unless the Committee determines otherwise. A Participant or the Company may however at all times make lump sum Participant Contributions by way of special payroll deductions to the Plan of amounts, which the Participant receives under a Company or Affiliate Employee recognition program (excluding overtime, bonus or gain sharing payments), subject to maximum lump sum Participant Contributions as approved from time to time by the Senior Vice-President and Chief Human Resources Officer.

5.6 Authorized Employer Paid Leave of Absence - A Participant on authorized employer paid leave of absence shall continue to make Participant Contributions through payroll deduction, as provided for in paragraph 5.2, unless such Participant has notified the Administrator through the Enrollment/Modification Process that he or she wishes that his or her Participant Contributions be suspended during the period of such absence in which event paragraph 5.7 shall become applicable with the necessary changes being made.

5.7 Lay-off; Unpaid Leave of Absence - In the case of lay-off or authorized unpaid leave of absence, and subject to paragraph 5.9, the Participant Contributions of the Participant shall be automatically suspended. Such suspension shall apply until the Participant returns to work. Participant Contributions shall resume as soon as practicable but in no event later than the first Pay Period following his or her return to work.

During any suspension of Participant Contributions by a Participant on lay-off or unpaid leave of absence, the Participant shall remain eligible for Employer Contributions, subject to section 6.

5.8 Long-Term Disability - In the event that a Participant becomes disabled and entitled to benefits under a recognized long-term disability program, and subject to paragraph 5.9, the Participant Contributions of the Participant shall be automatically suspended. Such suspension shall apply until the Participant returns to work, in which case the Participant may resume his or her Participant Contributions through the Enrollment/Modification Process. Participant Contributions shall resume as soon as practicable but in no event later than the first Pay Period following his or her return to work.

During any suspension of Participant Contributions by a Participant on long-term disability, the Participant shall remain eligible for Employer Contributions, subject to paragraph 5.9 and section 6.

5.9 Continuing Contributions – Except for union representatives, a Participant to whom paragraph 5.7 or 5.8 applies may continue to contribute to the Plan via post-dated checks until the earlier of his or her return to work or the end of the Plan Year in which the event described in such paragraph occurs. A union executive may continue to contribute to the Plan via post-dated checks until the

earlier of his or her return to work or the end of his or her mandate as union executive representing employees of the Company.

- 5.10 Voluntary Suspension of Contributions** - A Participant may at any time, through the Enrollment/Modification Process, request that his or her Participant Contributions be suspended. The Participant will have the option of resuming his or her Participant Contributions at any time through the Enrollment/Modification Process. Participant Contributions shall resume as soon as practicable but in no event later than the first Pay Period following the Pay Period in which the Participant has notified the Administrator through the Enrollment/Modification Process that he or she wants to resume his or her Participant Contributions. However, in the event of a second such suspension in the same Plan Year, the Participant shall not be allowed to resume making Participant Contributions until the later of the first Pay Period beginning six (6) months after such suspension commences and the first Pay Period of the following Plan Year.

During any suspension of Participant Contributions, the Participant shall remain eligible for Employer Contributions, subject to section 6.

- 5.11 Remittance of Contributions** - Participant Contributions withheld through payroll deduction by the Company and each Affiliate in each Pay Period shall be remitted by the Company and each Affiliate to the Administrator as soon as practicable but not later than the fifth Business Day following the date such withholding is effected. Participant Contributions described in paragraph 5.9 shall be remitted by the Participant directly to the Company or relevant Affiliate by way of post-dated check for further remittance by the Company or relevant Affiliate to the Administrator with the next scheduled Participant Contribution remittance.

6. EMPLOYER CONTRIBUTIONS

- 6.1 Amounts to Be Contributed** – Subject to paragraph 6.2, as a Participant Contribution is made by a Participant, the Company or the relevant Affiliate, as the case may be, shall concurrently remit to the Trustee, for the benefit of such Participant, an Employer Contribution. Such Employer Contribution shall be equal to such amount, or percentage of the Participant Contribution, determined from time to time by the Senior Vice-President and Chief Human Resources Officer and announced to employees eligible to participate in the Plan prior to the Pay Period for which the applicable Participant Contribution is made, provided however that the Employer Contribution shall not exceed 35 percent of the amount of the Participant Contribution made during such applicable Pay Period.

For greater clarity, no Employer Contribution shall be made on the Participant Excess Contributions or lump sum contributions, except as may otherwise be approved by the Senior Vice-President and Chief Human Resources Officer with respect to lump sum Participant Contributions made pursuant to paragraph 5.5.

6.2 Non-Vested Shares and Restricted Shares – Unless otherwise determined by the Committee: (a) Shares acquired through Employer Contributions and Shares acquired through the reinvestment of dividends received thereon, shall not vest until the first anniversary of such Employer Contributions ("Non-Vested Shares") at which time the Shares will vest at their Fair Market Value; and (b) Shares acquired through Participant Contributions for which Employer Contributions were made and Shares acquired through the reinvestment of dividends received thereon shall be "Restricted Shares" as long as the Shares acquired through such Employer Contributions are Non-Vested Shares. Should a Participant sell or transfer Restricted Shares outside of the Plan, the Participant will lose any right to all Non-Vested Shares and income derived therefrom (whether past, present or future), which right shall be immediately forfeited.

For greater clarity, Shares acquired through Participant Excess Contributions, or lump sum contributions, shall be deemed to be Unrestricted Shares, unless otherwise specified by the Senior Vice-President and Chief Human Resources Officer, at the time such contributions are made.

Notwithstanding the foregoing, Non-Vested Shares shall vest (at their Fair Market Value) as described below, in the following circumstances:

- (a) **Death:** Upon a Participant's death, all Restricted Shares held by such Participant and Non-Vested Shares allocated to such Participant shall automatically become, respectively, Unrestricted Shares and Vested Shares;
- (b) **Resignation or termination for cause:** Upon a Participant's resignation or termination for cause, all Non-Vested Shares allocated to such Participant shall be forfeited automatically. The Participant shall still be entitled to sell or transfer his or her Restricted Shares;
- (c) **Termination not for cause:** In the event a Participant is terminated not for cause, all Restricted Shares held by such Participant and Non-Vested Shares allocated to such Participant shall automatically become, respectively, Unrestricted Shares and Vested Shares; or
- (d) **Retirement:** In the event of a Participant's Retirement, provided that such Participant was not terminated for cause, all Restricted Shares held by such Participant and Non-Vested Shares allocated to such Participant shall automatically become, respectively, Unrestricted Shares and Vested Shares.

7. ASSET FUND AND TRUST FUND; ALLOCATIONS TO PARTICIPANTS

7.1 Assets of the Asset Fund and of the Trust Fund - The Administrator shall receive from the Company or the appropriate Affiliate the Participant Contributions of all Participants made in accordance with section 5 and the

Trustee shall receive the Employer Contributions made to the Plan in accordance with section 6. Participant Contributions, the Shares acquired therewith and the income thereon from the date of receipt by the Administrator shall constitute the Asset Fund of the Plan and shall be held, invested, managed, administered and dealt with by the Administrator pursuant to the terms of the Plan. Employer Contributions, the Shares acquired therewith and the income thereon from the date of receipt by the Trustee shall constitute the Trust Fund of the Plan and shall be held, invested, managed, administered and dealt with by the Trustee pursuant to the terms of the Plan.

7.2 Allocations to Participants - The Administrator and the Trustee shall maintain separate accounts for each Participant. Subject to paragraph 6.2, the Trustee shall credit to the account of a Participant all Employer Contributions made for the benefit of the said Participant, and all Shares acquired therewith. The Administrator shall credit to the account of a Participant all Participant Contributions made by such Participant, and all Shares acquired therewith. The Administrator and the Trustee shall allocate either absolutely or contingently to each Participant all income received, capital gains realized, and capital losses sustained by the Asset Fund and the Trust Fund on his or her account at such time or times as the Administrator and the Trustee may respectively determine, but in any event, at least annually.

7.3 Transfer of Shares from the Trust Fund to the Asset Fund - Once the Non-Vested Shares become Vested Shares pursuant to paragraph 6.2, the Trustee shall transfer those Shares to the Asset Fund at their Fair Market Value, to be managed by the Administrator.

8. SALE AND WITHDRAWAL OF SHARES

8.1 Right to Sell or Withdraw – Subject to paragraph 6.2 with respect to Restricted Shares and Non-Vested Shares, upon notifying the Administrator through a Sale Request or Transfer Request, a Participant may direct the Administrator to sell or withdraw some or all of the Shares in his or her account. In the first case, the Administrator shall pay to the Participant an amount equal to the net proceeds of sale of those Shares which have been sold at the Participant's direction. In the second case, the Administrator shall transfer title and deliver to the Participant those Shares which have been withdrawn at the Participant's direction.

8.2 Termination - In the event that the employment of a Participant is terminated for any reason, including, without limitation, for cause, resignation, death, Retirement or termination not for cause, the Participant's participation in the Plan shall be terminated. Subject to paragraph 6.2, the Administrator shall either transfer and deliver to the Participant or to the legal representatives of the deceased Participant's estate or sell all of the Shares in the Participant's account, at the option of the Participant or the legal representatives of the deceased Participant's estate, as applicable. In the absence of any written instructions from the Participant and payment of associated fees, the Administrator shall sell

sufficient Shares to cover such fees and transfer and deliver the remaining Shares to the Participant or to the Participant's estate, as applicable. The transfer and delivery of the Shares or payment of the net proceeds of sale, as the case may be, shall be effected as soon as practicable, but in no event later than sixty (60) days from the date the Administrator receives notification of such termination.

8.3 Hardship exception – In exceptional circumstances, the Senior Vice-President and Chief Human Resources Officer, may allow a Participant to sell Restricted Shares without losing any right to corresponding Non-Vested Shares pursuant to paragraph 6.2 if such Participant, in the opinion of the Senior Vice-President and Chief Human Resources Officer, is in a hardship situation.

8.4 Tax Withholding Obligations - The amount needed to cover statutory withholding taxes for income and other employment taxes which are attributable to Employer Contributions, related dividends, and any other wage income related to the Plan shall be deducted from the Participant's other cash compensation paid by the Company or Affiliate which employs the Participant. A Participant's completion of the Enrollment/Modification Process shall be consent to such withholding.

9. INVESTMENTS

9.1 Contributions to Be Invested Solely in Shares - All Participant Contributions and all Employer Contributions, as well as all income allocated to the accounts of the Participants, shall be invested solely in the acquisition of Shares. Notwithstanding the foregoing, all Participant Contributions and Employer Contributions remitted to the Administrator or Trustee and held by the Administrator or Trustee more than 30 days prior to the acquisition of Shares therewith pursuant to paragraph 9.2 shall earn interest for the account of the Participants pursuant to such agreement as to the rate of interest to be credited as may be reached between the Company and the Administrator or Trustee.

9.2 Acquisition of Shares by Administrator and Trustee - In the case of Participant Contributions, Shares shall be purchased by the Administrator as soon as reasonably practicable following receipt of the Participant Contributions by the Administrator, as determined by the Administrator. In the case of Employer Contributions, Shares shall be purchased by the Trustee as soon as reasonably practicable following receipt of such Employer Contributions or any such longer period required by securities legislation, stock exchange rules, or other relevant rules.

9.3 Purchases on the Open Market Only - The Administrator and the Trustee shall use the Participant Contributions and the Employer Contributions to purchase Shares only on the open market, either on or off a stock exchange.

- 9.4 Registration of Shares** - All Shares (other than the Non-Vested Shares) shall be registered in the name of the Administrator, on behalf of the applicable Participant. All such Shares shall be held by the Administrator on behalf of the Participant and all rights and privileges with respect to such Shares, including voting rights, shall be exercised by the Participant through the Administrator. All Non-Vested Shares shall be registered in the name of the Trustee.
- 9.5 Dividends** – Subject to paragraph 6.2, all dividends paid on Shares held by the Administrator and the Trustee on a Participant's behalf less any applicable withholding taxes shall be reinvested by the Administrator and the Trustee in the acquisition of additional Shares as soon as practicable, but in no event later than ten (10) days following payment of the dividends, which Shares shall be credited to the account of the Participant.
- 9.6 Shareholder Information; Right to Vote** - The Administrator shall forward to each Participant all the shareholder information, documentation and reports sent by the Company to its shareholders. Prior to all shareholders' meetings, the Administrator shall provide to the Participant a voting instruction card so that the Participant may indicate thereon his or her directions to the Administrator as to how he or she wishes the Administrator to vote on his or her behalf and the Participant shall return such voting instruction card to the Administrator. Should the Participant fail to provide the Administrator with the voting instruction card, the Administrator shall refrain from voting the Shares credited to the account of the Participant. Neither the Participant nor the Trustee shall be allowed to vote any of the Non-Vested Shares.
- 9.7 Discretion of Administrator and Trustee** - Notwithstanding paragraphs 9.2 and 9.5, the Administrator and the Trustee, in their discretion, may limit the daily volume of their purchases and sales of Shares or make such purchases and sales over several trading days to the extent that such action is deemed by them to be in the best interests of the Participants or to comply with securities laws and regulations. Should the purchase or sale of Shares by the Administrator and the Trustee in any given month pursuant hereto be at various prices, the Administrator and the Trustee shall establish an average purchase or sale price, as the case may be, applicable for each Share in the relevant month.
- 9.8 Fractions of Shares** - A Participant shall not be allowed in any circumstances to withdraw a fraction of a Share pursuant to any provision of the Plan. The value of any such fraction will be paid in cash.
- 9.9 Liens** - Participants may not create nor grant any mortgage, security interest or lien on Shares held in the Asset Fund and the Trust Fund.

10. STATEMENTS OF ACCOUNT

- 10.1 Quarterly Statements** - The Administrator and the Trustee will provide, on a quarterly basis, a statement of account to each Participant setting out the activity

relating to the Participant's account for those periods ending at the end of March, June, September and December of each Plan Year.

11. THE ADMINISTRATOR AND THE TRUSTEE

- 11.1 Change of Administrator or Trustee** - The Company as agent for each Participant may at any time or times after providing ninety (90) days' written notice remove the Administrator or the Trustee and appoint a successor or successors to fill any vacancy arising for any reason whatever.
- 11.2 Delegation by Administrator and Trustee** - The Administrator and the Trustee may delegate to the Company or, with the Company's approval, to any corporation authorized to carry on the business of a trust company in Canada the duty to maintain records and to furnish statements in connection with all aspects of the Plan, provided that in the event of such delegation the Administrator or the Trustee shall remain responsible for the proper execution of such duty.
- 11.3 Indemnification** - The Administrator and the Trustee shall be indemnified and held harmless by the Company against and from any and all loss, cost, liability or expense resulting from any claim, action, suit or proceeding to which any of them may be a party or in which it may be involved by reason of any action taken or failure to act under the Plan and against and from any and all amounts paid by it in settlement thereof (with the Company's written approval) or paid by it in satisfaction of a judgment in any such action, suit or proceeding, except a judgment in favor of the Company based upon a finding of the Administrator or the Trustee's willful misconduct, negligence, or bad faith; subject, however, to the condition that, upon the assertion or institution of any such claim, action, suit or proceeding against it, the Administrator or the Trustee shall in writing give the Company a reasonable opportunity, at the latter's expense, to handle and defend the same within a time frame to be specified by the Administrator or the Trustee, as the case may be, before the Administrator or the Trustee undertakes to handle and defend such claim, action, suit or proceeding on its own behalf. The Company and the Participants shall be indemnified and held harmless by the Administrator or the Trustee, as the case may be, against and from any and all loss, cost, liability or expense resulting from the willful misconduct, negligence or bad faith of the Administrator or the Trustee or of any person (other than the Company) to which the Administrator or the Trustee has delegated any of its duties hereunder.
- 11.4 Certificates, Reports, Opinions** - The Administrator and the Trustee shall be entitled to rely on all certificates, reports, opinions and other documents furnished by any broker, accountant, auditor or counsel to the Company or Affiliates and shall be fully protected and indemnified by the Company or Affiliates in respect of any acts done in good faith and in reliance on such certificates, reports, opinions or documents.

11.5 Resignation of Administrator or Trustee - The Administrator and the Trustee may resign and be discharged from all further duties and liabilities hereunder upon ninety (90) days' written notice to the Company and each Participant or such shorter notice as may be agreed upon.

12. PARTICIPANT'S RIGHTS NOT TRANSFERABLE

Except as provided herein, the rights of a Participant pursuant to the provisions of the Plan are non-assignable and non-transferable, in whole or in part. No attempted assignment or transfer thereof, otherwise than in accordance with the provisions hereof, shall be effective.

13. INTERPRETATION, REGULATIONS, AMENDMENT AND TERMINATION

13.1 Regulation and Delegation - The Company may make, amend and repeal at any time and from time to time such regulations not inconsistent herewith, as it may deem necessary or advisable generally for the proper administration and operation of the Plan. In particular, the Company may delegate to any person, group of persons or corporation such administrative duties and powers as it sees fit, and the Committee may take such actions as are necessary not to penalize a Participant moving to or from the United States at the Company's request.

13.2 Interpretation - The Company shall have the power to interpret the provisions of the Plan from time to time. All decisions and interpretations of the Company respecting the Plan and all rules and regulations made from time to time pursuant hereto shall be binding and conclusive on the Company and all Participants and their respective legal representatives and on all Employees eligible under the Plan to participate herein.

13.3 Amendment - The Company may amend at any time the provisions of the Plan at its sole and complete discretion, except that no such amendment shall operate so as to deprive a Participant of any rights acquired prior to the date thereof or to relieve the Affiliates of the obligation to make such Employer Contributions as they would have been obliged to make pursuant to section 6.

13.4 Termination - The Company hopes and expects to maintain the Plan indefinitely. However, it reserves the right to terminate the Plan at any time, in which event the Participants' rights will be governed by paragraph 8.2 as if the Participants' Retirements had all occurred on the date of the termination of the Plan.

14. COSTS

Except as otherwise provided for in this section 14, the Company shall pay all costs of administering the Plan, including without limitation all the fees and expenses of the Administrator and the Trustee. All brokerage fees relating to the acquisition of

Shares shall be borne by the Company. All brokerage and other fees relating to the sale or withdrawal of Shares shall be paid by the relevant Participants.

15. APPLICABLE LAW

This Plan shall be governed, construed and interpreted in accordance with the laws of the State of Illinois, without regard to the conflicts of laws principles thereof, and all rights and obligations under the Plan shall be construed and determined in accordance with such laws.

SCHEDULE A

AFFILIATES

- **Grand Trunk Western Railroad Company**

- **Bessemer and Lake Erie Railroad Company**

- **The Pittsburgh and Conneaut Dock Company**

- **Illinois Central Railroad Company and subsidiary**

- **Chicago, Central & Pacific Railroad Company**

- **Cedar River Railroad Company**

- **Wisconsin Central Ltd. and its subsidiaries**