

**BEFORE THE
SURFACE TRANSPORTATION BOARD**



Canadian Pacific Railway Company, Soo Line Holding
Company and Dakota, Minnesota & Eastern Railroad
Corporation *et al.* –Corporate Family Transaction –
Iowa, Chicago & Eastern Railroad Corporation

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) Finance Docket No. 35202
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**VERIFIED NOTICE OF EXEMPTION
CORPORATE FAMILY TRANSACTION**

Terence M. Hynes
Matthew J. Warren
Noah Clements
Sidley Austin LLP
1501 K Street, N.W.
Washington, D.C. 20005
(202) 736-8000

*Counsel for Canadian Pacific Railway Company,
Soo Line Holding Company, Dakota, Minnesota &
Eastern Railroad Corporation and Iowa, Chicago
& Eastern Railroad Corporation*

Dated: November 26, 2008

Pursuant to 49 C.F.R. §§ 1180.2(d) (3) and 1180.4(g), Canadian Pacific Railway Company (“CPR”), Soo Line Holding Company (“Soo Holding”), Dakota, Minnesota & Eastern Railroad Corporation (“DM&E”) and Iowa, Chicago & Eastern Railroad Corporation (“IC&E”) file this Verified Notice of Exemption regarding an intracorporate family transaction.

The subject transaction involves the merger of IC&E with and into DM&E. The transaction is being undertaken in order to simplify the corporate structure of CPR’s U.S. rail carrier subsidiaries. The subject transaction will not result in any change in service levels, significant operational changes, or any change in the competitive balance with carriers outside the CPR corporate family. Accordingly, the transaction is exempt from prior review and approval under the class exemption for transactions within a corporate family set forth at 49 C.F.R. § 1180.2(d) (3).

As required by 49 C.F.R. § 1180.4(g), CPR, Soo Holding, DM&E and IC&E provide the following information:

1. Summary Of Transaction And Other Related Information

a. Transaction Summary

On September 30, 2008, in Finance Docket No. 35081, *Canadian Pacific Railway Company, et al. – Control – Dakota, Minnesota & Eastern Railroad Corporation, et al.* (“CPR-DM&E Control”), the Board authorized Soo Holding (and, indirectly, CPR) to acquire control of DM&E and its indirect rail carrier subsidiary, IC&E. DM&E currently has one wholly-owned direct subsidiary, Cedar American Rail Holdings, Inc. (“Cedar American”), which is a non-carrier. Cedar American, in turn, has two wholly-owned subsidiaries, IC&E and Wyoming Dakota Railroad Properties, Inc. (“Wyoming Dakota”), a noncarrier. The transaction that is the subject of this Verified Notice of Exemption involves the merger of Cedar American and IC&E with and into DM&E, with DM&E being the surviving corporation. As a result of the

transaction, Cedar American and IC&E will cease to exist, and Wyoming Dakota will become a direct subsidiary of DM&E by operation of law. Pursuant to the control transaction authorized by the Board in *CPR-DM&E Control*, DM&E will continue to be a direct subsidiary of Soo Holding, and a "sister" corporation to Soo Line Railroad Company. Pursuant to 49 C.F.R. § 1180.2(d) (3), CPR, Soo Holding, DM&E and IC&E invoke the class exemption for intracorporate family transactions to authorize the merger of IC&E with and into DM&E.

b. Name, Address And Telephone Number Of Applicants.

The names, addresses, and telephone numbers of CPR, Soo Holding, DM&E and IC&E are as follows:

- (1) CPR and Soo Holding:

401 9th Avenue, SW
Gulf Canada Square
Calgary, Alberta T2P 4Z4
(403) 218-7500
- (2) DM&E and IC&E:

140 N. Phillips Avenue
Sioux Falls, SD 57104

c. Name Of Counsel To Whom Questions Regarding The Transaction Can Be Addressed

- (1) Terence M. Hynes
SIDLEY AUSTIN LLP
1501 K Street, N.W.
Washington, DC 20005
(202) 736-8000
- (2) Paul Guthrie
CANADIAN PACIFIC RAILWAY COMPANY
Gulf Canada Square, Suite 2000
401 9th Avenue, SW
Calgary, Alberta T2P 4Z4
(403) 319-6184

2. Proposed Time Schedule For Consummation Of The Proposed Transaction

The parties plan to consummate the proposed transaction as soon as practicable following the effective date of the class exemption.

3. Purposes Sought To Be Accomplished By The Proposed Transaction

The subject transaction is being undertaken in order to simplify the corporate structure of CPR's U.S. carrier subsidiaries following the acquisition of control of DM&E and IC&E by Soo Holding (and, indirectly, by CPR). The elimination of IC&E and Cedar American as separate corporate entities will streamline DM&E's corporate structure, reduce administrative expenses and improve the overall efficiency of DM&E.

4. List of States In Which Any Part Of The Property Of Applicant Carriers Is Located

CPR's U.S. affiliates, Soo Line Railroad Company and Delaware and Hudson Railway Company, Inc., operate U.S. rail lines (including trackage rights) in the States of Delaware, Idaho, Illinois, Indiana, Michigan, Minnesota, Montana, New Jersey, New York, North Dakota, Pennsylvania, South Dakota, Virginia and Wisconsin. DM&E/IC&E operate rail lines in the States of Illinois, Iowa, Minnesota, Missouri, Nebraska, South Dakota, Wisconsin and Wyoming.

5. Maps

A map depicting the rail network of CPR and its subsidiaries is attached as Exhibit 1.

6. Agreement

Not applicable.

7. Level Of Labor Protection To Be Imposed

The subject corporate transaction does not involve any change in service levels or significant operational changes, and therefore will have no adverse impact on employees of any of CPR's U.S. carrier subsidiaries. Nevertheless, the parties recognize that the Board is required

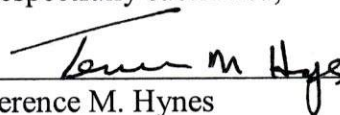
by 49 U.S.C. §§ 10502(g) and 11326 to impose conditions for the benefit of employees of CPR's U.S. railroad subsidiaries in connection with this exempt intracorporate family transaction. Accordingly, the parties do not object to the imposition of standard employee protective conditions. The standard set of conditions applicable to the subject transaction, which involves the merger of IC&E with and into DM&E, are set forth in *New York Dock Ry. -- Control -- Brooklyn Eastern Dist.*, 360 I.C.C. 40 (1979).

8. Environmental And Historic Impact

The transaction that is the subject of this Verified Notice will not result in any operating changes exceeding the quantitative thresholds set forth at 49 C.F.R. §§ 1105.7(e)(4)-(5). Accordingly, pursuant to 49 C.F.R. § 1105.6(c)(2), no environmental documentation is required in connection with the subject transaction.

The transaction that is the subject of this Verified Notice does not involve the alteration or disposal of any bridges or structures that are 50 years old or older. Accordingly, no Historic Report is required in connection with the subject transaction.

Respectfully submitted,



Terence M. Hynes
Matthew J. Warren
Noah Clements
Sidley Austin LLP
1501 K Street, N.W.
Washington, D.C. 20005
(202) 736-8000

*Counsel for Canadian Pacific Railway Company,
Soo Line Holding Company, Dakota, Minnesota &
Eastern Railroad Corporation and Iowa, Chicago
& Eastern Railroad Corporation*

Dated: November 26, 2008

CERTIFICATE OF SERVICE

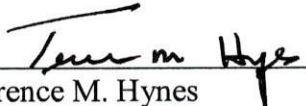
I hereby certify that I have caused the Verified Notice of Exemption to be served by first class mail, postage prepaid, this 26th day of November 2008, on

Secretary of US Department of Transportation
Docket Clerk, Office of Chief Counsel
Federal Railroad Administration
400 7th Street, S.W., Room 5101
Washington, D.C. 20590

Attorney General of the United States
U.S. Department of Justice
950 Pennsylvania Avenue, N.W.
Washington, D.C. 20530-0001

Federal Trade Commission
600 Pennsylvania Avenue, N.W.,
CRC-240
Washington, D.C. 20580

The Governor, Public Service Commission and Department of Transportation of the States of Delaware, Idaho, Illinois, Indiana, Iowa, , Michigan, Minnesota, Missouri, Montana, Nebraska, New Jersey, New York, North Dakota, Pennsylvania, South Dakota, Virginia, Wisconsin, Wyoming.



Terence M. Hynes

PROVINCE OF ALBERTA

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SS:

CANADA

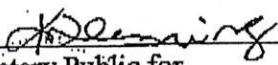
I, Paul A. Guthrie, being duly sworn, depose and state that I am the Vice-President, Law of Canadian Pacific Railway Company; that I am authorized to verify the foregoing VERIFIED NOTICE OF EXEMPTION ("NOTICE") in STB Finance Docket No. 35202 on behalf of Canadian Pacific Railway Company; that I have examined all the statements concerning Canadian Pacific Railway Company contained in said Notice; and that all such statements are true and correct to the best of my knowledge, information and belief.



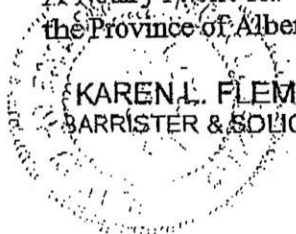
Paul A. Guthrie, Q.C.
Vice-President, Law

Canadian Pacific Railway Company

Subscribed and Sworn to
Before me this 25th day of November 2008.


A Notary Public for
the Province of Alberta

KAREN L. FLEMING
BARRISTER & SOLICITOR



STATE OF MINNESOTA

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)
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SS:

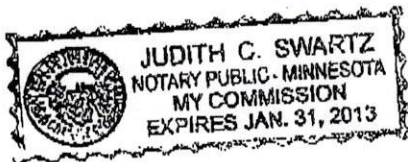
COUNTY OF HENNEPIN

I, William M. Tuttle, being duly sworn, depose and state that I am the Vice President, Corporate of Soo Line Holding Company; that I am authorized to verify the foregoing VERIFIED NOTICE OF EXEMPTION ("NOTICE") in STB Finance Docket No. 35202 on behalf of Soo Line Holding Company; that I have examined all the statements concerning Soo Line Holding Company contained in said Notice; and that all such statements are true and correct to the best of my knowledge, information and belief.

William M. Tuttle
William M. Tuttle
Vice President, Corporate
Soo Line Holding Company

Subscribed and Sworn to
Before me this 25th day of November 2008

Judith C. Swartz
A Notary Public for
the State of Minnesota



STATE OF SOUTH DAKOTA

)

SS:

COUNTY OF MINNEHAHA

)

I, Vern Graham, being duly sworn, depose and state that I am the President of Dakota, Minnesota & Eastern Railroad Corporation; that I am authorized to verify the foregoing VERIFIED NOTICE OF EXEMPTION ("NOTICE") in STB Finance Docket No. 35202 on behalf of Dakota, Minnesota & Eastern Railroad Corporation; that I have examined all the statements concerning Dakota, Minnesota & Eastern Railroad Corporation contained in said Notice; and that all such statements are true and correct to the best of my knowledge, information and belief.



Commission expires 11/10/2014

Subscribed and Sworn to
Before me this 25 day of November 2008.

Vern Graham
President, Dakota, Minnesota & Eastern
Railroad Corporation

A Notary Public for
the State of South Dakota

STATE OF SOUTH DAKOTA)
)
COUNTY OF MINNEHAHA)

SS:

I, Vern Graham, being duly sworn, depose and state that I am the
President of Iowa, Chicago & Eastern Railroad Corporation;
that I am authorized to verify the foregoing VERIFIED NOTICE OF EXEMPTION
("NOTICE") in STB Finance Docket No. 35202 on behalf of Iowa, Chicago & Eastern Railroad
Corporation; that I have examined all the statements concerning Iowa, Chicago & Eastern
Railroad Corporation contained in said Notice; and that all such statements are true and correct
to the best of my knowledge, information and belief.



Commission expires 11/10/2014

Subscribed and Sworn to
Before me this 25 day of November 2008

Joelle Messling
A Notary Public for
the State of South Dakota

Vern Graham
Vern Graham
President, Iowa, Chicago & Eastern Railroad
Corporation

