

CANADIAN PACIFIC RAILWAY COMPANY

OFFICE OF THE CHAIRMAN AND PRESIDENT

MONTREAL

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and unfortunate. This Company periodically reviews what has been done and forms policies for the future with the assistance of outside experts familiar with the particular problem under consideration. The determination of the propriety, or otherwise, of the system it has followed may involve agreement or disagreement with the policies adopted by the Executive and the Directors, although we do not remove the responsibility from these officers in the matter of altering or confirming the policies upon consideration of the material developed.

If I were incapacitated and during my absence the Directors decided to have an investigation of any phase of this Company's activities in order to ascertain whether changes in the future would be in the Company's interest, I would not only think that they were well within their rights but that they were acting wisely. Any officer of a competing system would, naturally, not be consulted, but Doctor Laing is not in that position.

When you receive Doctor Martin's letter you will appreciate that the Governors decided that the investigation should be conducted by yourself and the Acting Principal with the assistance of others. You will not escape, therefore, the full responsibility either for the confirmation of previous decisions or for any changes in policy decided to be necessary.