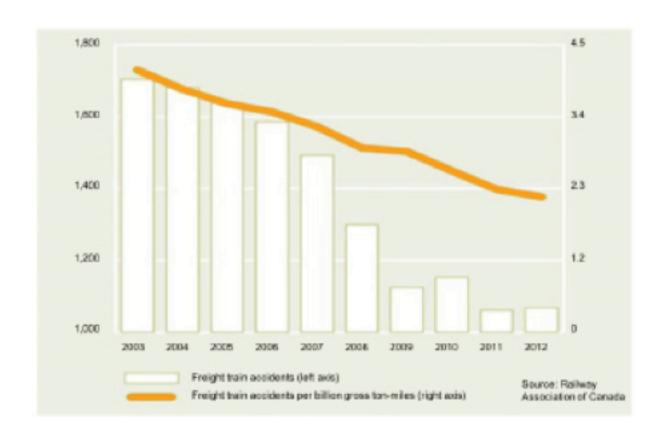




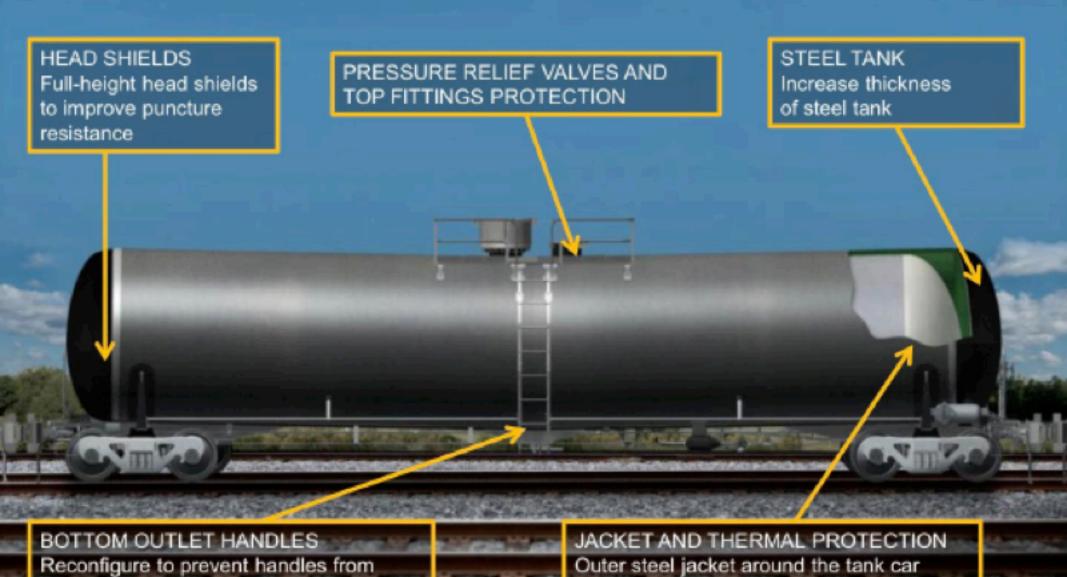
Freight accidents and accident rate



The performance of Canadian railways in terms of safety has steadily increased over the last decade. While the freight rail sector moved a record 503.9 billion gross tonmiles (BGTM) in 2012, it maintained a rate of 2.1 accidents per BGTM, the lowest rate to date.



Components of tank car safety design



Emerging rail technologies

opening in the event of an accident

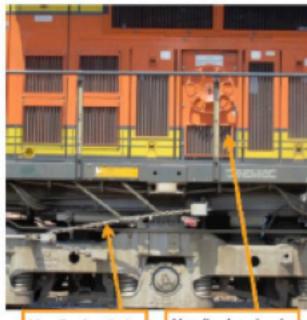
July 2, 2014

Outer steel jacket around the tank car

and thermal protection

Car braking systems





Handbrake chain

Handbrake wheel



Tank car handbrake chain and wheel



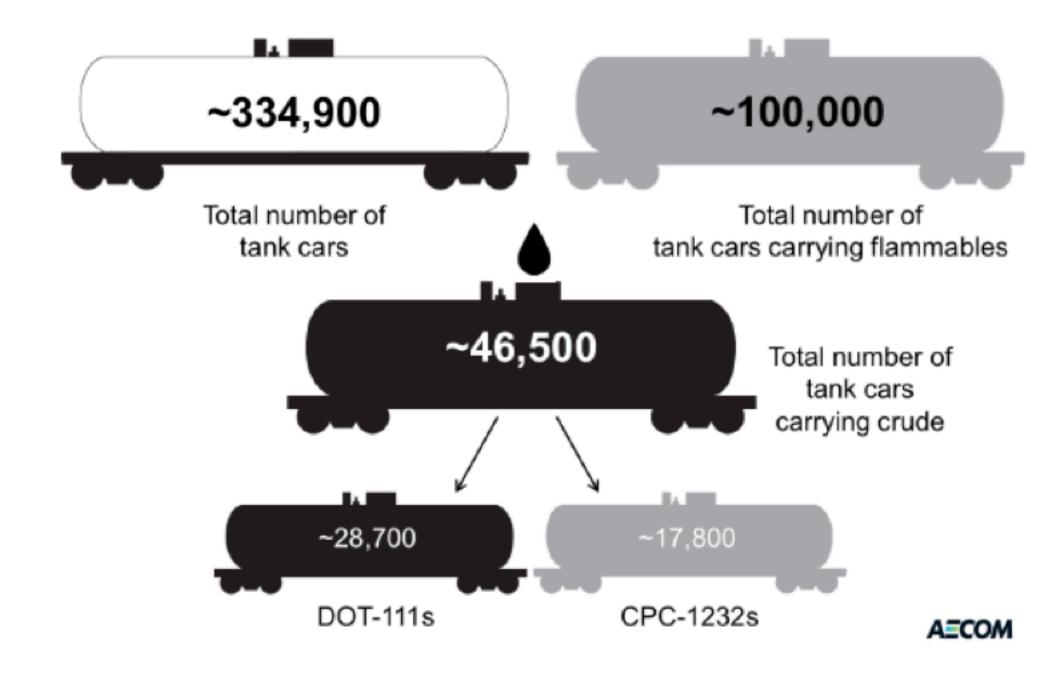
Flat car handbrake, loose chain, lever

Advancing tank car design

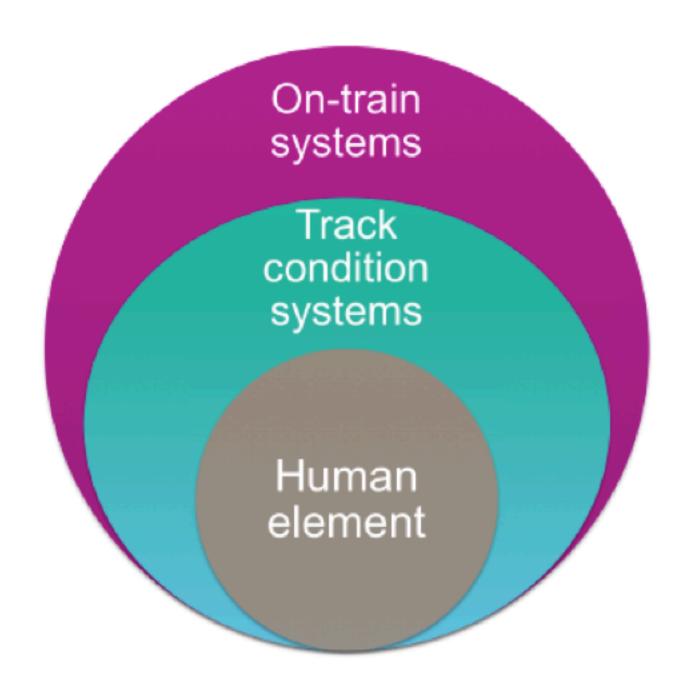
- DOT-111 tank car
 - Legacy design from the 1970s
 - General purpose tank car
 - Transport Canada's phase out or refit by 2017
- CPC-1232 tank car
 - "Good Faith Car"
 - Voluntary adopted by the industry in 2011
 - Offers improvements to DOT-111s
- HM-251 tank car
 - "Proposed Car of the Future"
 - Positioned as central to \$3 billion phase out of DOT-111s
 - Suppliers report 3,500 HM-251 ordered so far in 2014



North America's current rolling stock for tanks cars

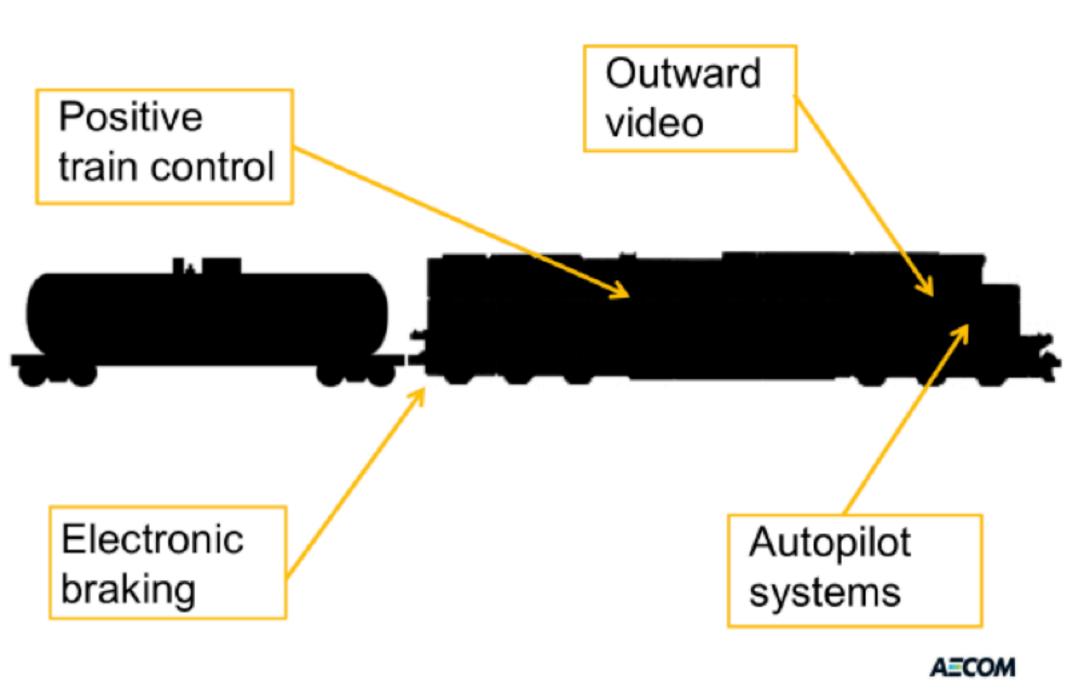


Areas of emerging safety technologies / improvements





On-train system improvements



Track condition systems

Railways conduct high-tech track geometry and rail flaw inspections on routes over which trains carrying crude oil run.

