

Financial Statements of

**CN EMPLOYEES' AND PENSIONERS'
COMMUNITY FUND/CAISSE DE
BIENFAISANCE DES EMPLOYÉS ET
RETRAITÉS DU CN**

Years ended December 31, 2012 and 2011 and as at January 1, 2011



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INDEPENDENT AUDITORS' REPORT

To the Members of CN Employees' and Pensioners' Community Fund/Caisse de Bienfaisance des Employés et Retraités du CN

We have audited the accompanying financial statements of CN Employees' and Pensioners' Community Fund/Caisse de Bienfaisance des Employés et Retraités du CN, which comprise the statements of financial position as at December 31, 2012, December 31, 2011 and January 1, 2011, the statements of revenues and expenditures, changes in net assets and cash flows for the years ended December 31, 2012 and December 31, 2011, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.



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Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of CN Employees' and Pensioners' Community Fund/Caisse de Bienfaisance des Employés et Retraités du CN as at December 31, 2012, December 31, 2011 and January 1, 2011, and its results of operations and its cash flows for the years ended December 31, 2012 and December 31, 2011 in accordance with Canadian accounting standards for not-for-profit organizations.

*KPMG LLP**

September 3, 2013

Montréal, Canada

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Financial Statements

Years ended December 31, 2012 and 2011 and as at January 1, 2011

Financial Statements

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CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Statements of Financial Position

December 31, 2012, December 31, 2011 and January 1, 2011

	December 31, 2012	December 31, 2011	January 1, 2011
		(Restated - note 10)	
Assets			
Cash	\$ 354,522	\$ 185,451	\$ 259,334
Short-term investments	545,002	534,356	477,758
Donations paid in advance (note 3)	475,634	471,973	460,015
Contributions receivable (note 6)	64,605	29,413	35,105
Interest receivable	2,697	2,649	1,868
Investments - Helping Hand Program (note 8)	3,730,389	-	-
	\$ 5,172,849	\$ 1,223,842	\$ 1,234,080
Liabilities			
Donations payable (note 4)	\$ 576,721	\$ 466,161	\$ 565,640
Contributions received in advance (note 5)	832,622	726,993	640,586
Contributions received in advance - Helping Hand Program (note 8)	3,730,389	-	-
	5,139,732	1,193,154	1,206,226
Net Assets	33,117	30,688	27,854
	\$ 5,172,849	\$ 1,223,842	\$ 1,234,080

See accompanying notes to financial statements.

On behalf of the Finance Committee:

_____ Treasurer

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Statements of Revenues and Expenditures

Years ended December 31, 2012 and 2011

	2012	2011
		(Restated - note 10)
Revenues:		
Contributions - Helping Hand Program	\$ 118,897	\$ -
Contributions - Québec	1,167,135	1,076,504
Contributions - Ontario	152,452	148,110
Contributions - US	67,053	56,586
Interest income	8,365	7,715
	1,513,902	1,288,915
Expenditures:		
Donations - Helping Hand Program	118,897	-
Donations - Québec	1,171,185	1,079,954
Donations - Ontario	152,452	148,110
Donations - US	67,053	56,586
Other	1,886	1,431
	1,511,473	1,286,081
Excess of revenues over expenditures	\$ 2,429	\$ 2,834

See accompanying notes to financial statements.

**CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/
CAISSE DE BIENFAISANCE DES EMPLOYÉS ET
RETRAITÉS DU CN**

Statements of Changes in Net assets

Years ended December 31, 2012 and 2011

	2012	2011
Net assets, beginning of year	\$ 30,688	\$ 27,854
Excess of revenues over expenditures	2,429	2,834
Net assets, end of year	\$ 33,117	\$ 30,688

See accompanying notes to financial statements.

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Statements of Cash Flows

Years ended December 31, 2012 and 2011

	2012	2011
Cash provided by (used in):		
Operating activities:		
Excess of revenues over expenditures	\$ 2,429	\$ 2,834
Change in non-cash operating working capital:		
Contributions received in advance - Helping Hand Program (note 8)	3,730,389	-
Investments - Helping Hand Program (note 8)	(3,730,389)	-
Donations payable (note 4)	110,560	(99,479)
Contributions received in advance (note 5)	105,629	86,407
Contributions receivable (note 6)	(35,192)	5,692
Short-term investments	(10,646)	(56,598)
Donations paid in advance (note 3)	(3,661)	(11,958)
Interest receivable	(48)	(781)
	169,071	(73,883)
Net increase in cash	169,071	(73,883)
Cash, beginning of year	185,451	259,334
Cash, end of year	\$ 354,522	\$ 185,451

See accompanying notes to financial statements.

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Notes to Financial Statements

Years ended December 31, 2012 and 2011 and as at January 1, 2011

The CN Employees' and Pensioners' Community Fund/Caisse de bienfaisance des employés et retraités du CN (the "Community Fund") raises funds from the employees and pensioners of the Canadian National Railway Company ("CN") who are located in the Provinces of Québec and Ontario, and distributes these donations, subsequent to approval by committees representing the donors, to various community and national organizations which are involved in charitable and/or medical well-being activities and have a federal charity registration number.

During 2012, the Community Fund began to distribute donations, subsequent to approval by the Helping Hand Committee, to employees of CN and their immediate families under the Helping Hand Program (Note 8).

The Community Fund, a charitable organization registered under the *Income Tax Act*, is exempt from income taxes and is able to issue donation receipts for income tax purposes.

1. Adoption of new accounting standards:

On January 1, 2012, the Community Fund adopted Canadian accounting standards for not-for-profit organizations in Part III of the CICA Handbook ("not-for-profit standards"). These are the first financial statements prepared in accordance with not-for-profit standards.

In accordance with the transitional provisions in not-for-profit standards, the Community Fund has adopted the changes retrospectively, subject to certain exceptions allowed under these standards. The transition date is January 1, 2011 and all comparative information provided has been presented in accordance with not-for-profit standards. The adoption of not-for-profit standards did not result in any adjustments being made to prior years financial statements, other than a change in terminology for the statement of changes in net assets which was previously referred to as the statement of reserve fund.

2. Significant accounting policies:

(a) Revenue recognition:

The Community Fund follows the deferral method of accounting for contributions.

Externally restricted contributions, such as amounts received from employees, pensioners and sponsors, from fundraising events or for the Helping Hand Program (Note 8), are recognized as revenue in the year in which the related expenses are recognized.

Revenue from contributions is recognized on the statements of revenue and expenditures, net of administrative expenses.

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Notes to Financial Statements, Continued

Years ended December 31, 2012 and 2011 and as at January 1, 2011

2. Significant accounting policies (continued):

(b) Contributions receivable:

Contributions are recorded as a receivable when the amount can be reasonably estimated and collection is reasonably assured.

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. Fluctuations in the fair value of the equity instruments held by the Community Fund for the Helping Hand Program as well as any divided income earned by these equity instruments are recorded as an adjustment to contributions received in advance - Helping Hand Program and they are not recognized in the statements of revenues and expenditures as the income is restricted in its use.

Transaction costs related to the sale of financial instruments measured at fair value are expensed as incurred.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Community Fund determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Community Fund expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

3. Donations paid in advance:

Donations made by the Community Fund for the beneficiary's ensuing year campaign are reflected as donations paid in advance.

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Notes to Financial Statements, Continued

Years ended December 31, 2012 and 2011 and as at January 1, 2011

3. Donations paid in advance (continued):

The following represents donations paid in advance:

	December 31, 2012	December 31, 2011	January 1, 2011
The Ted Nolan Foundation	\$ 72,041	\$ 45,624	\$ 70,000
The Marie-Vincent Foundation	65,826	139,263	150,500
Centraide of Greater Montreal	60,000	60,000	55,000
Big Brothers Big Sisters of Greater Montréal	37,500	–	–
I.T. Christmas Baskets	33,800	32,736	30,967
Weekend to End Women's Cancers	30,467	–	–
CSSS Domaine du Roy Foundation	25,000	–	–
Juvenile Diabetes Research Foundation	23,721	24,428	20,000
Centraide Mauricie	23,285	22,149	22,191
Grand McDon	23,285	22,148	22,191
Canadian Cancer Society (Relay for Life)	16,501	5,050	5,000
Montreal Children's Hospital Foundation (Pedal for kids)	15,000	11,979	13,376
The Leukemia & Lymphoma Society of Canada	14,229	31,261	7,027
Sarah Cook Foundation (Splash & Dash)	6,000	–	3,863
Prostate Cancer Canada	6,000	–	–
West Island Palliative Care Service	6,000	5,000	4,500
Quebec Special Olympics	2,725	3,370	5,394
Cure Foundation - Québec	2,360	1,006	1,515
Crohn's and Colitis Foundation of Canada	2,230	–	–
Cure Foundation - Ontario	1,524	925	987
SPCA Montérégie Rive-Sud	1,466	–	230
Christmas Angel Program	1,230	–	–
Les Loisirs du Parc	1,000	–	2,500
APDIP	978	–	–
Quebec Breast Cancer Foundation	978	–	17,051
Multiple Sclerosis Society of Canada	682	–	–
Heart & Stroke Foundation of Québec	641	875	–
Foundation Source Bleue	500	–	–
Hockey Montréal Féminin	355	–	–
Rebelles St-Hubert	125	–	–
Association du hockey mineur de P.A.T. inc.	65	–	–
OHMMN	60	–	–
Québec Cancer Foundation	60	–	–
Taylor-Birks Foundation	–	27,000	–
Diabetes Québec	–	25,000	–
Children's Wish Foundation	–	13,459	12,667
Cancer Research Society	–	310	–
Hema-Québec Foundation (Patrick Bérard Fund)	–	300	–
West Island Mission	–	90	–
The Lighthouse Children and Families	–	–	10,000
Association de hockey mineur Villeray	–	–	2,500
Leucan	–	–	1,608
Epiderma Foundation	–	–	500
Wales Home Foundation	–	–	300
Canadian Liver Foundation (Montreal Chapter)	–	–	148
Donations paid in advance	\$ 475,634	\$ 471,973	\$ 460,015

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Notes to Financial Statements, Continued

Years ended December 31, 2012 and 2011 and as at January 1, 2011

4. Donations payable:

The following represents donations payable:

	December 31, 2012	December 31, 2011	January 1, 2011
		(Restated - note 10)	
Donations allocated:			
Québec	\$ 1,171,185	\$ 1,079,954	\$ 1,009,717
Ontario	152,452	148,110	130,979
US	67,053	56,586	51,516
Special Contributions - Haiti Relief Fund	-	-	121,424
Special Contributions - Haiti Relief Fund US	-	-	8,863
Plus donations unpaid from prior years:			
US	765	992	15,315
	1,391,455	1,285,642	1,337,814
Less payments made during the year:			
Montreal Children's Hospital Foundation	48,980	50,000	50,549
Cancer Research Society	41,519	28,211	29,603
Le Bonheur Foundation (US\$34,162)	33,527	-	-
Jennifer S. Fallick Cancer Support Center (US\$34,162)	33,526	28,293	25,758
Canadian Cancer Society	31,224	35,000	35,000
Ste. Justine Hospital Foundation	30,290	26,723	26,969
The Leukemia & Lymphoma Society of Canada	18,425	48,330	-
Heart and Stroke Foundation of Quebec	15,699	17,366	19,000
Dans La Rue (Le bon Dieu)	13,272	14,000	-
Alzheimer Society of Montreal	10,991	14,000	9,000
Quebec Diabetes Association	10,000	10,000	10,986
Québec Special Olympics	9,375	8,000	-
Club des petits déjeuners du Québec	8,323	7,841	11,000
Sun Youth Organization	7,959	8,858	7,714
Multiple Sclerosis Society of Canada	7,700	7,500	9,260
SPCA Montérégie Rive-Sud	7,500	7,500	-
Salvation Army (Christmas baskets)	4,050	3,450	3,325
Québec Tourette Association	4,000	-	-
MAB Mackay Foundation	1,226	-	-
Services communautaires canadiens-italiens du Québec	1,226	-	-
Les Loisirs du Parc	1,000	-	-
Wales Home Foundation	500	-	-
West Island Women's Center	500	-	-
West Island Mission	479	500	-
Le Nichoir	300	-	-
Association du hockey mineur de P.A.T. inc.	250	-	-
Acco-Loisirs	230	-	-
Lynx St-Constant - Atome B	175	-	-
Association sportive et communautaire du Centre-Sud	170	-	-
Centre Jean-Claude Malépart	120	-	-
Association du hockey mineur Villeray	65	-	-
Hockey Montréal	45	-	-
Jeunes sportifs Hochelaga	40	-	-
Association les Chemins du Soleil	30	-	-
Hurricanes de Montréal	20	-	-
AHMA	15	-	-
Comité des Jeunes de la Louisiane	10	-	-
Children's Memorial (Hospital) Foundation	-	28,293	25,758
Quebec Breast Cancer Foundation	-	16,883	-
Fonds d'aide (Francis Beaudoin)	-	149	388
Canadian Red Cross (Haiti Relief Fund)	-	-	108,567
American Red Cross (Haiti Relief Fund - US)	-	-	8,559
Arthritis Society	-	-	4,352
Organisation de hockey mineur de Montréal-Nord	-	-	4,000
Auberge Transition	-	-	3,281
	342,761	360,897	393,069
Balance carried forward	1,048,694	924,745	944,745

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Notes to Financial Statements, Continued

Years ended December 31, 2012 and 2011 and as at January 1, 2011

4. Donations payable (continued):

	December 31, 2012	December 31, 2011	January 1, 2011
		(Restated - note 10)	
Balance brought forward	\$ 1,048,694	\$ 924,745	\$ 944,745
Less prior year's donations paid in advance:			
The Marie-Vincent Foundation	139,263	150,500	100,000
Centraide of Greater Montreal	60,000	55,000	45,000
The Ted Nolan Foundation	45,624	70,000	53,000
I.T. Christmas Baskets	32,736	30,967	25,000
The Leukemia & Lymphoma Society of Canada	31,261	7,027	11,665
Taylor-Birks Foundation	27,000	-	-
Diabetes Québec	25,000	-	-
Juvenile Diabetes Research Foundation	24,428	20,000	-
Centraide Mauricie	22,149	22,191	22,547
Grand McDon	22,148	22,191	22,547
Children's Wish Foundation	13,459	12,667	11,392
Montreal Children's Hospital Foundation (Pedal for kids)	11,979	13,376	13,656
Canadian Cancer Society (Relay for Life)	5,050	5,000	2,152
West Island Palliative Care Service	5,000	4,500	9,000
Quebec Special Olympics	3,370	5,394	14,198
Cure Foundation - Québec	1,006	1,515	1,203
Cure Foundation - Ontario	925	987	785
Heart & Stroke Foundation of Québec	875	-	-
Cancer Research Society	310	-	-
Héma-Québec Foundation (Patrick Bérard Fund)	300	-	500
West Island Mission	90	-	-
Quebec Breast Cancer Foundation	-	17,051	15,000
The Lighthouse Children and Families	-	10,000	10,000
Sarah Cook Foundation (Splash & Dash)	-	3,863	3,393
Association de hockey mineur Villeray	-	2,500	-
Les Loisirs du Parc	-	2,500	-
Leucan	-	1,608	-
Epiderma Foundation	-	500	-
Wales Home Foundation	-	300	-
SPCA Montérégie Rive-Sud	-	230	-
Canadian Liver Foundation (Montréal Chapter)	-	148	-
Montreal Canadiens Children's Foundation	-	-	11,597
Jewish General Hospital Foundation (Ron H. Reynolds Fund)	-	-	2,696
ARS Society	-	-	772
Alzheimer Society of Montreal	-	-	600
The Montreal Chest Institute Foundation	-	-	600
The Montreal Heart Institute Foundation	-	-	600
Weekend to end Women's Cancer	-	-	390
Quebec Cancer Foundation	-	-	385
Muscular Dystrophy Canada	-	-	150
	471,973	460,015	378,828
	576,721	464,730	565,917
Foreign exchange (loss) gain on US donations payable and other items	-	(1,431)	277
Donations payable	\$ 576,721	\$ 466,161	\$ 565,640

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Notes to Financial Statements, Continued

Years ended December 31, 2012 and 2011 and as at January 1, 2011

5. Contributions received in advance:

The following represents contributions received in advance that do not meet the definition of revenue under the deferral method:

	December 31, 2012	December 31, 2011 (Restated - note 10)	January 1, 2011
2013 CN Hockey Greatest Stars Challenge	\$ 227,075	\$ —	\$ —
2013 CN Hockey Greatest Stars Challenge - US	126,193	—	—
2012 CN Hockey Greatest Stars Challenge	—	266,128	—
2012 CN Hockey Greatest Stars Challenge - US	19,576	89,411	—
2011 CN Hockey Greatest Stars Challenge	—	—	231,563
2011 CN Hockey Greatest Stars Challenge - US	38,493	38,493	95,079
Centraide Western (Festival St-Tite)	46,662	45,090	44,382
Childrens' Wish Foundation - Draw	—	—	12,667
Contribution - US Campaign	1,250	1,000	—
Contribution - Ontario Campaign	45,417	19,441	19,986
Contribution - Québec Campaign	327,956	267,430	236,909
Total contributions received in advance	\$ 832,622	\$ 726,993	\$ 640,586

6. Contributions receivable:

The following represents contributions receivable:

	December 31, 2012	December 31, 2011	January 1, 2011
Christmas Baskets	\$ 33,800	\$ —	\$ —
CN Hockey Greatest Stars Challenge	30,285	14,869	18,787
Other	270	—	7,068
Montreal Ride for Juvenile Diabetes	250	—	—
Light the Night Walk	—	14,544	9,250
Total contributions receivable	\$ 64,605	\$ 29,413	\$ 35,105

In 2012, none of the amounts receivable at year-end were recognized as revenue for the year.

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Notes to Financial Statements, Continued

Years ended December 31, 2012 and 2011 and as at January 1, 2011

7. Special donations from net assets:

During the year, the Community Fund made a special donation to the Salvation Army (Christmas Baskets) in the amount of \$4,050 (\$3,450 in 2011) from the net assets, which is included in the schedule of donations for the current year.

8. Helping Hand Program:

In 2012, Claude Mongeau, CN's Chief Executive Officer, and his wife, Guylaine, donated to the Community Fund 42,000 common shares of CN to set up a program that provides financial assistance to CN employees and their immediate families to help their children with special needs, whether physical or intellectual. Employees submit their applications, which are reviewed, approved and processed by the Helping Hand Committee.

Proceeds from the sale of these shares are to be used only for the purpose of providing financial assistance to CN employees under the Helping Hand Program as well as to cover the Program's administrative expenses. Any income generated by the shares is restricted for the same purpose.

The value of the investment at year-end includes an unrealized gain of \$161,571 resulting from the change in fair value of the common shares of CN during the year ended December 31, 2012.

The following table summarizes the assets available for the Helping Hand Program as at December 31, 2012:

	December 31, 2012
Cash	\$ 56,812
Investments - Helping Hand Program:	
Mutual funds	15,754
Common shares (40,494 common shares at \$90.33 per share)	3,657,823
	<u>3,673,577</u>
Amounts available for the Helping Hand Program	<u>\$ 3,730,389</u>

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Notes to Financial Statements, Continued

Years ended December 31, 2012 and 2011 and as at January 1, 2011

9. Financial risks:

The Community Fund is exposed to price risk related to equity securities held as part of the Helping Hand Program. Equity securities are subject to fluctuations in price due to the specific performance of the underlying company of which the shares are held. The Community Fund's equity holdings are limited to CN stock. As a result, the Community Fund is exposed to a concentration of price risk due to the undiversified nature of these holdings. Fluctuations in the value of the equity holdings could have a significant impact on the funds available for distribution under the Helping Hand Program.

10. Restatement of previously issued financial statements:

These financial statements include adjustments to previously issued financial statements to adjust certain contributions in a fundraising activity that should not have been recognized as revenue under the deferral method as the corresponding expense had not been incurred.

The following table summarizes the impact of the adjustment resulting from the restatement of the previously reported financial statements as at and for the year ended December 31, 2011.

	Previously reported	Adjustment affecting the year ended December 31, 2011	Restated amount for the year ended December 31, 2011
Statement of financial position:			
Donations payable	\$ 504,654	\$ (38,493)	\$ 466,161
Contributions received in advance	688,500	38,493	726,993
Statement of revenues and expenditures:			
Contributions - US	95,079	(38,493)	56,586
Expenses for fund raising activity	38,493	(38,493)	–

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Schedules of Donations - Province of Québec

Years ended December 31, 2012 and 2011

	2012	2011
Accueil Bonneau	\$ 1,031	\$ 1,767
Action Réfugiés Montréal	444	448
Aditya Youth Trust Fund (AYTF)	3,077	2,248
Aga Khan Foundation of Canada	—	334
Alzheimer Society of Canada	2,157	1,503
Alzheimer Society of Laval	—	1,011
Alzheimer Society of Montreal	12,025	15,009
Alzheimer Society of Suroît	2,255	2,438
Alzheimer Society of the South Shore	3,436	3,230
Alzheimer Society Peel	1,593	1,490
AMI Quebec	549	813
Amyotrophic Lateral Sclerosis Society of Quebec (ALS)	2,090	938
Anna Laberge Hospital Foundation	528	732
APDIP	642	838
Archevêché de Montréal	1,279	1,560
ARS Canada	2,916	2,204
Arthritis Society	5,954	5,190
Association de la Rive-Sud pour la déficience intellectuelle	317	313
Association de Paralysie Cérébrale du Québec	318	—
Association du hockey mineur Villeray	—	2,500
Association du Québec pour enfants avec problèmes auditifs	317	313
Auberge Transition	4,094	4,724
Camp Amy Molson	385	461
Canadian Breast Cancer Foundation	2,143	1,789
Canadian Cancer Society	34,758	43,370
Canadian Cancer Society - Kathy Williams Memoriam	494	406
Canadian Liver Foundation (Montreal Chapter)	987	1,401
Canadian Organ Donors Association	1,295	653
Canadian Red Cross	4,535	4,347
Cancer Research Society	52,908	31,692
C.A.R.E. - Centre d'Activités Récréatives et Éducatives	319	—
Centraide Bas St-Laurent	1,099	—
Centraide du Grand Montréal	143,834	126,251
Centraide Estrie	92	—
Centraide Lanaudière	127	488
Centraide Laurentides	404	483
Centraide Mauricie	24,688	23,739
Centraide Québec	66	315
Centre à la petite enfance Villeneuve	338	646
Centre Saint Columba House	1,602	579
Charles Bruneau Foundation	427	313
Charles LeMoyne Hospital Foundation	6,068	5,081
Child Haven International	528	313
Children's Wish Foundation	19,360	19,260
Balance carried forward	341,479	311,190

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Schedules of Donations - Province of Québec, Continued

Years ended December 31, 2012 and 2011

	2012	2011
Balance brought forward	\$ 341,479	\$ 311,190
Christmas Baskets (Information Technology)	35,314	34,141
Christ the Redeemer Lutheran Church	2,472	2,303
CN Greatest Hockey Stars Challenge - community donations	5,656	264
Colorectal Cancer Association of Canada	689	372
Combined Jewish Appeal	877	1,121
Crohn's and Colitis Foundation of Canada	3,337	2,874
Cure Foundation	1,063	1,578
Dans La Rue (le bon Dieu)	15,212	14,728
Diabetic Children's Foundation	481	348
Douglas Hospital Foundation	320	340
École secondaire Mgr. A.M. Parent	-	1,354
Farha Foundation	4,567	4,666
Fondation d'aide aux enfants du Camp Mariste	323	313
Fondation de la Maison Michel-Sarrazin	1,373	1,428
Fondation de la surdit� de Montr�al	-	476
Fondation de l'H�pital d'Argenteuil	330	338
Fondation de l'Institut de cardiologie de Montr�al	2,929	1,832
Fondation du centre d'h�bergement St-Fran�ois	-	838
Fondation du CHUM	822	542
Fondation du Coll�ge Notre-Dame	-	582
Fondation du jeune hockeyeur matanais (Club �perviers de Matane)	824	813
Fondation du Qu�bec pour la recherche sur l'implant cochl�aire	354	313
Fondation Epiderma	-	521
Fondation Gracia (CH Notre-Dame-de-la-Merci)	1,236	1,219
Fondation H�pital Pierre Boucher	2,953	671
Fondation Jean de la Mennais	549	-
Fondation Jean Lapointe	661	854
Fondation qu�b�coise des enfants t�moins de la violence conjugale	582	-
Fondation qu�b�coise des maladies mentales	852	1,498
Fondation Sainte-Croix/Heriot	549	-
Fondation Sant� Haut-Richelieu-Rouville	440	330
Fondation Suicide Action Montr�al	383	641
Fonds d'aide (Francis Beaudoin)	4,458	4,640
Friends for Mental Health	412	-
Generations Foundation	1,363	2,313
G�n�rations - Tel-Jeunes	936	361
Greyhound Rescue Quebec	385	350
Gris-Montr�al	412	-
Grossesse - Secours	850	-
Hawkesbury & District General Hospital Foundation	761	854
Heart and Stroke Foundation of Quebec	18,464	20,667
Heart and Stroke Foundation of Quebec (Trendy Red)	924	-
Hema Quebec Foundation (Patrick B�rard Fund)	317	348
Balance carried forward	455,909	418,021

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Schedules of Donations - Province of Québec, Continued

Years ended December 31, 2012 and 2011

	2012	2011
Balance brought forward	\$ 455,909	\$ 418,021
Herstreet	398	314
H.O.P.E. (Helping Other People Effectively) St.Mary's Parish	824	542
Hôpital Enfant-Jésus	716	804
Hydrocephalus Association (Support Education Advocacy)	687	677
Institut Nazareth Louis Braille	308	313
Islamic Relief Canada	797	867
Jewish General Hospital Foundation	6,976	3,540
Jewish General Hospital Foundation - Memory Clinic	-	542
Jewish Rehabilitation Hospital	687	650
Jules and Paul-Émile Léger Foundation (ELDERAID)	873	2,925
Juni-Sport	412	-
Juvenile Diabetes Research Foundation	27,770	22,346
Kidney Foundation of Canada	2,254	3,884
Kidney Foundation of Canada - Organ & Tissue Donation Awareness Program	1,068	314
La Maison du Phare	636	-
L'Apart à Moi	1,374	-
L'Arche	322	491
L'Arche Le Printemps	137	-
L'Arche l'Étoile	137	-
Lakeshore General Hospital Foundation	3,310	2,657
LaSalle Hospital Foundation	317	313
Learning Disabilities Association of Quebec (LDAQ)	385	1,221
Le Chaînon	3,041	4,246
Le Club des petits déjeuners du Québec	9,743	8,518
Le Nichoir Wild Bird Rehabilitation Centre	317	-
Les Loisirs du Parc	-	2,500
Leucan Inc.	543	2,426
Lighthouse Children and Families	-	10,000
Logifem	-	323
Lupus Canada - Quebec Division	632	651
Mackay Center School for the Disabled	1,666	313
Maison du Père	1,160	1,762
Maison Victor-Gadbois	1,118	925
Marie-Vincent Foundation	160,964	159,674
Maya Lucia Spadano Trust Fund	2,720	-
McHappy Day	24,096	22,791
Meals on Wheels (A.P.R.M.M.)	452	414
Mira Foundation	5,128	5,256
Missing Children's Network Quebec	425	700
Montreal Association for the Blind Foundation	2,322	2,719
Montreal Birth Companions	-	417
Montreal Canadiens Children's Foundation	708	-
Balance carried forward	721,332	684,056

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Schedules of Donations - Province of Québec, Continued

Years ended December 31, 2012 and 2011

	2012	2011
Balance brought forward	\$ 721,332	\$ 684,056
Montreal Children's Hospital Foundation	58,336	55,982
Montreal Children's Hospital Foundation for Donald Cohen lecture	—	37
Montreal Children's Hospital Foundation - Pedal for kids	12,790	14,465
Montreal Community Loan Fund	666	625
Montreal Dietary Dispensary	824	333
Montreal Oral School for the Deaf	1,682	2,447
Montreal Youth for Christ	326	313
Multiple Sclerosis Society of Canada	8,852	8,300
Muscular Dystrophy Canada	779	793
Native Women's Shelter of Montreal	317	—
Old Brewery Mission	5,315	3,967
Operation Enfant Soleil	6,291	4,937
Ovarian Cancer Canada	—	812
Oxfam Canada	750	—
Parish of St. Andrews & St. Mark	380	—
Parish of St. Michel of Vaudreuil-Dorion (Église Très-Ste-Trinité)	518	375
Parkinson Society Quebec	4,291	2,577
Peter Hall School Foundation	317	—
Prostate Cancer Canada	17,996	874
Quebec Breast Cancer Foundation	7,562	25,983
Quebec Cancer Foundation	981	736
Quebec Cystic Fibrosis Association	5,153	3,979
Quebec Diabetes	38,881	11,267
Quebec Lung Association	1,126	688
Quebec Society of Disabled Children	318	1,701
Quebec Special Olympics	13,466	14,819
Quebec Tourette Association	5,765	1,418
Réseau québécois des groupes écologistes	549	1,016
Revivre - Quebec Anxiety, Depressive and Bipolar Disorder Support Association	528	314
Ron Reynolds Memorial Fund for the Cancer Segal Centre	617	433
Royal Victoria Hospital Foundation - Palliative Care	958	674
Rugby Canada	317	—
Sainte-Justine Hospital Foundation	32,983	30,119
Sainte-Justine Hospital Foundation - Girafond	275	—
Sainte-Justine Hospital Foundation - Mission Sourire d'Afrique	—	314
Salvation Army	10,486	11,696
Sarah Cook Foundation - Splash & Dash	230	3,863
Scout du Montréal Métropolitain	—	316
Services communautaires canadiens-italiens du Québec	1,845	—
Share the Warmth	1,872	674
Shriners Hospital for Children - Canada	2,781	625
SPCA Montérégie Rive-Sud	9,100	8,192
SPCA Montréal	2,608	1,555
SPCA Ontario (SD&G Branch) Cornwall	—	477
Starlight Children's Foundation Canada	—	352
Balance carried forward	980,163	902,104

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Schedules of Donations - Province of Québec, Continued

Years ended December 31, 2012 and 2011

	2012	2011
Balance brought forward	\$ 980,163	\$ 902,104
St. Brendan's Parish (Rosemount)	1,099	677
St. Edmund of Canterbury	549	328
St. John Ambulance	-	1,225
St. Mary's Hospital Foundation	2,804	3,403
St. Matthias Anglican Church	-	316
Sun Youth Organization	8,777	9,399
Taylor-Birks Foundation	37,691	-
Ted Nolan Foundation	52,936	72,959
Tel-Aide	330	-
Terra Nova Youth Center	549	325
Terry Fox Foundation	519	480
The Chef Table	549	-
The Christian and Missionary Alliance in Canada - Khang Nguyen's	714	-
The Leukemia & Lymphoma Society of Canada	38,327	61,694
The Leukemia & Lymphoma Society of Canada (Sylvain Morin TNT)	19,605	-
The Montreal General Hospital Foundation	412	-
The Montreal General Hospital Foundation - In memory of Olivier Vourantonis	275	765
Verdun Hospital Foundation	423	376
Waldenstrom's Macroglobulinemia Foundation of Canada	824	758
Wales Home Foundation	528	313
War Amps	938	583
Welcome Hall Mission	5,207	5,891
West Island Association for the Intellectually Handicapped	2,076	2,345
West Island Cancer Wellness Centre	1,120	1,421
West Island Mission	839	521
West Island Palliative Care Service	7,176	8,162
West Island Women's Center	528	-
West Island Women's Shelter	4,112	3,610
YMCA Foundation	2,115	2,299
	\$ 1,171,185	\$ 1,079,954

All donations under \$300 have been reallocated amongst the above charitable organizations based on the distribution of the pledges made by CN employees and pensioners.

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Schedules of Donations - Province of Ontario

Years ended December 31, 2012 and 2011

	2012	2011
ALS Society of Ontario (Belleville Chapter)	\$ 2,400	\$ 1,076
ALS Society of Ontario (Thunder Bay Chapter)	309	-
Alzheimer Society of Canada	6,209	5,390
Alzheimer Society of Canada (Cobourg, Peterborough & Northumberland Counties)	309	-
Alzheimer Society of Toronto	309	-
Anglican Network in Canada (ANIC)	-	804
Arthritis Society	3,067	2,416
Autism Ontario	987	994
Belleville General Hospital Foundation	405	349
Brain Injury Association Quinte District	309	-
Canadian Breast Cancer	653	831
Canadian Cancer Society	14,307	9,301
Canadian Cancer Society (Belleville)	1,237	-
Canadian Celiac Association	1,106	2,277
Canadian Diabetes Association	4,186	4,489
Canadian Hearing Society	731	1,083
Canadian Liver Foundation	595	700
Canadian National Institute for the Blind	3,199	2,280
Canadian Red Cross	3,885	1,697
Cerebral Palsy Support Foundation of Canada	309	-
CHEO Foundation	371	-
Community Living York South	618	757
Covenant House Toronto	1,799	2,655
Crohn's and Colitis Foundation of Canada	1,469	2,127
Cure Foundation	1,154	1,502
Cystic Fibrosis Canada	338	-
Dog Guides of Canada	753	864
Epilepsy Canada	-	606
Food for Life Canada	309	-
Girl Guides of Canada	-	769
Glengarry Memorial Hospital Foundation	309	-
Hamilton Health Sciences Foundation	309	-
Heart and Stroke Foundation	10,033	11,421
Heart and Stroke Foundation (Belleville)	309	-
Hornepayne Community Hospital	1,292	805
Hospice Quinte	309	-
Huntsville District Memorial Hospital Foundation	702	687
Interval House	-	2,271
Juvenile Diabetes Research Foundation	618	-
Kidney Foundation of Canada (Hamilton & District Chapter)	702	455
Kidney Foundation of Canada (Kingston Chapter)	309	-
London Humane Society	-	815
London Men's Mission	999	-
Make-Wish Canada	773	739
Meaford Hospital	618	-
Multiple Sclerosis Society of Canada	2,661	2,186
Muscular Dystrophy Canada	357	798
Navy League of Canada (Ontario Division)	309	-
North Bay Regional Health Centre Foundation	-	696
Balance carried forward	71,932	63,840

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Schedules of Donations - Province of Ontario, Continued

Years ended December 31, 2012 and 2011

	2012	2011
Balance brought forward	\$ 71,932	\$ 63,840
Northern Ontario Families of Children with Cancer (NOFCC)	618	-
Ontario SPCA	1,199	833
Parkinson Society	1,748	-
Princess Margaret Hospital Foundation	566	2,236
Quinte Human Society (Belleville)	4,025	3,405
Redwood Women's Shelter	502	375
Royal Botanical Gardens	-	2,329
Royal Canadian Legion	-	463
Royal Canadian Legion - Branch 194	1,405	1,043
Royal Military Colleges Club of Canada Foundation	-	454
Royal Victoria Hospital of Barrie Foundation	366	-
Salvation Army	3,524	4,907
Salvation Army - Barrie	666	-
Salvation Army - Guelph	1,240	2,712
Salvation Army - Newmarket	666	472
Salvation Army - Toronto	178	454
Salvation Army (for Haïti)	119	349
Sarnia & District Humane Society	385	363
Sault Area Hospital Foundation	-	454
Scouts Canada Foundation	1,263	842
Share Life	618	-
SickKids Foundation	10,102	5,262
South Muskoka Hospital	428	454
Southlake Regional Health Centre Foundation	1,238	3,037
Spina Bifida & Hydrocephalus Association of Canada	371	454
St. Joseph's Healthcare Foundation	-	606
Unicef Canada	-	349
United Way Chatham-Kent	500	489
United Way of Burlington & Greater Hamilton	752	902
United Way of Elgin-St. Thomas	-	354
United Way of Fort Frances	-	396
United Way of Greater Simcoe County	-	596
United Way of Greater Toronto	4,750	5,009
United Way of Kingston, Frontenac Lennox and Addington	564	545
United Way of Leeds & Grenville (Brockville)	524	652
United Way of London & Middlesex	2,388	1,952
United Way of Milton	442	373
United Way of Niagara Falls & Greater Fort Erie	479	409
United Way of Northumberland	440	-
United Way of Oakville	2,139	2,238
United Way of Oshawa-Whitby-Clarington-Brock & Scugog	657	918
United Way of Ottawa	2,314	2,486
United Way of Oxford County	499	419
United Way of Peel	1,339	2,183
United Way of Peterborough and District	767	-
United Way of Quinte	17,988	16,823
United Way of Sarnia Lambton	3,324	3,279
United Way of Sault Ste. Marie	-	454
United Way of Stormont, Dundas & Glengary (Cornwall and District)	778	772
Balance carried forward	143,803	136,942

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/ CAISSE DE BIENFAISANCE DES EMPLOYÉS ET RETRAITÉS DU CN

Schedules of Donations - Province of Ontario, Continued

Years ended December 31, 2012 and 2011

	2012	2011
Balance brought forward	\$ 143,803	\$ 136,942
United Way of Sudbury and District	1,464	2,657
United Way of Thunder Bay	1,709	1,367
United Way of Windsor Essex County	-	710
United Way of York	551	901
Victorian Order of Nurses Foundation	381	702
War Amps	2,591	2,517
World Vision	752	1,534
Wounded Warrior	1,201	780
	\$ 152,452	\$ 148,110

All donations under \$300 have been reallocated amongst the above charitable organizations based on the distribution of the pledges made by CN employees and pensioners.

**CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND/
CAISSE DE BIENFAISANCE DES EMPLOYÉS ET
RETRAITÉS DU CN**

Schedules of Donations - US

Years ended December 31, 2012 and 2011

	2012	2011
Children's Memorial (Hospital) Foundation (2011 - US\$29,039)	\$ -	\$ 28,293
Jennifer S. Fallik Cancer Support Center (2012 - US\$34,162; 2011 - US\$29,039)	33,526	28,293
Le Bonheur Foundation (2012 - US\$34,162)	33,527	-
	\$ 67,053	\$ 56,586

All donations under \$300 have been reallocated amongst the above charitable organizations based on the distribution of the pledges made by CN employees and pensioners.