



Transport Canada Transports Canada

344 Edmonton Street  
Winnipeg, MB  
R3C 0P6

Our file : RDIMS # :  
<YourFile>

February 6, 2017

Lake Line Railroad Inc.  
Box 695  
Petersfield, MB  
R0C 2L0

Mr. Koberinski,

An audit of Lake Line Railroad Inc. Safety Management System (SMS) will be conducted by Transport Canada from March 1, 2017 through March 2, 2017. An SMS audit is a systematic, detailed inspection to assess a railway company's policies, processes, and procedures to; (a) evaluate them against the documentation requirements of the RSMS Regulations, 2015 and (b) verify the implementation of said policies, processes, and procedures.

The scope of the audit will include the following:

Railway Safety Management System Regulations, 2015:

- 68 (a) a process with respect to a safety policy
- 68 (b) a process for ensuring compliance with regulations, rules and other instruments
- 68 (c) a process for identifying safety concerns
- 68 (d) a risk assessment process
- 68 (e) a process for implementing and evaluating remedial action

The review of the above processes will be comprehensive in nature and include any and all related sections with respect to communication, consultation, collaboration and recordkeeping as required by the *Railway Safety Management System Regulations, 2015*.

In order to expedite the audit process please submit copies of the documentation as requested in the attached Appendix "A" by February 20, 2017.

During the audit, the Transport Canada inspector may require further documentation and records related to your company processes and procedures as listed above.

Canada 

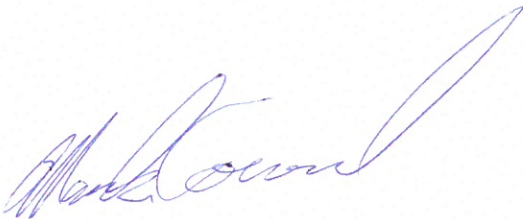
We are requesting an opening meeting with your management team at 10:00 on March 1, 2017 to answer any questions you may have regarding the audit, as well as to clarify logistics related to the audit. We will require adequate working space for a team of two auditors. We will also request access to relevant records, as well as access to individuals who are knowledgeable and can provide clarification regarding the above-noted processes during the audit.

Please advise if there are any applicable security procedures that the audit team must follow prior to, or upon, arrival at your site. If you have any further questions on this matter, please contact the undersigned at (204) 984-8005 or by email at alex.allen@tc.gc.ca.

Yours sincerely,



Alex Allen  
Audit Team Leader  
Safety Management System Inspector, Badge #30173  
Rail Safety



Convening Authority  
Mark Conrad  
Regional Director – Surface Prairie Northern Region

cc. Mark Conrad, Regional Director, Transport Canada, Prairie and Northern Region  
cc. Blair Raitt, Manager, Safety Management Systems, Prairie and Northern Region  
cc. Art Stacey, Director Finance - Lake Line Railroad Inc.

**Appendix A**  
**Pre-Visit Documentation Request**  
**(Due: February 20, 2017)**

- Most recent up to date version of Lake Line Railroad's Safety Management System
  - Corresponding procedures as listed in the SMS
- Company Safety Policy
  - Record of communication of the Company Safety Policy to its employees
- Any records of analysis relating to the process identifying safety concerns listed in your SMS (Section 4) from April 1, 2016 to January, 2017 (9 months)
- Efficiency test records from April 1, 2016 to January 2017 (9 months)
- Operations Safety Audit records from April 1, 2016 to January 2017 (9 months)
- Any records of risk assessments performed from April 1, 2016 to January 2017 (9 months)
  - Any communication records of identified risks from risk assessments conducted
- Any records of remedial actions implemented from April 1, 2016 to January 2017 (9 months)
  - Any records of communication if records of implemented remedial actions
- A list of employees separated by division/functional group.

