

CANADIAN PACIFIC RAILWAY LTD/CN

Form 6-K

June 01, 2006

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 6-K

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the month of June, 2006

CANADIAN PACIFIC RAILWAY LIMITED
(Commission File No. 1-01342)
(translation of Registrant's name into English)

Suite 500, Gulf Canada Square, 401 9th Avenue, S.W., Calgary, Alberta, Canada, T2P 4Z4
(address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):
82-_____

This Report furnished on Form 6-K shall be incorporated by reference into each of the following Registration Statements under the Securities Act of 1933 of the registrant: Form S-8 No. 333-127943 (Canadian Pacific Railway Limited) and Form S-8 No. 333-13962 (Canadian Pacific Railway Limited).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CANADIAN PACIFIC RAILWAY LIMITED
(Registrant)

Date: June 1, 2006

By: Signed: Donald F. Barnhardt

Name: Donald F. Barnhardt
Title: Corporate Secretary

CANADIAN PACIFIC RAILWAY LIMITED

Notice Of Intention To Make Normal Course Issuer Bid

Notice is hereby given that Canadian Pacific Railway Limited (the Corporation or CPR) intends to make normal course issuer bid purchases of its outstanding common shares (the Common Shares) as set forth in this notice. The issued and outstanding Common Shares are listed on the Toronto Stock Exchange (the TSX) and the New York Stock Exchange (the NYSE) under the trading symbol CP .

1. Name of Issuer

Canadian Pacific Railway Limited
Suite 500, 401 9th Avenue, S.W.
Calgary, Alberta T2P 4Z4

2. Shares Sought

The Corporation may purchase up to 3,936,000 Common Shares pursuant to this Notice of Intention, representing approximately 2.5% of the 158,321,252 Common Shares outstanding as of May 31, 2006. Although the Corporation has a present intention to acquire Common Shares, it is not obligated to make any purchases. All Common Shares purchased pursuant to the bid will be cancelled.

3. Duration

Purchases may be made during the 12 month period commencing on June 6, 2006 and ending June 5, 2007.

4. Method of Acquisition

The shares will be purchased on the open market from time to time through the facilities of the TSX and the NYSE. The purchase and payment for the Common Shares will be made by the Corporation in accordance with the policies of the exchange through which the Common Shares are purchased. Purchases (other than by way of exempt offer) will not be made other than by means of open market transactions.

5. Consideration Offered

The price that the Corporation will pay for any shares acquired by it will be the market price of the Common Shares at the time of acquisition. The Corporation presently intends to fund the purchase of the Common Shares pursuant to the normal course issuer bid from its working capital, which may include funding derived from cash flow or from borrowing, proceeds from dispositions, proceeds from employee share purchases or other sources. There are no restrictions on the consideration to be offered by the Corporation.

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6. Reasons for the Normal Course Issuer Bid

The purpose and business reason for purchases made pursuant to the normal course issuer bid is that the Corporation believes that the market price of its Common Shares could be such that the purchase of Common Shares may be an attractive and appropriate use of corporate funds in light of potential benefits to remaining shareholders.

7. Valuation

To the knowledge of the directors and senior officers of the Corporation, after reasonable inquiry, no independent appraisal or valuation or material non-independent appraisal or valuation regarding the Corporation, its material assets or securities has been prepared within the last two years preceding the date hereof.

8. Previous Purchases

During the 12 months preceding the date hereof, the Corporation purchased an aggregate of 3,325,000 Common Shares by way of normal course issuer bid purchases at an average price of \$51.82 per share.

9. Persons Acting Jointly or in Concert With the Issuer

No person or company is acting jointly or in concert with the Corporation in connection with the normal course issuer bid.

10. Acceptance by Insiders, Affiliates and Associates

To the knowledge of the directors and officers of the Corporation, after reasonable inquiry, none of the directors or senior officers of the Corporation, nor any associates thereof, nor any person holding 10% or more of any class of equity securities of the Corporation, presently intends to sell any Common Shares during the course of the normal course issuer bid. It is possible, however, that sales by such persons may occur as a result of the exercise by such persons of outstanding options during the course of the normal course issuer bid or as a result of personal circumstances or decisions unrelated to the existence of the normal course issuer bid.

The Corporation does not have any contract, arrangement or understanding, formal or informal, with any holder of the Common Shares with respect to its proposed purchase of shares under the normal course issuer bid.

11. Benefits from the Normal Course Issuer Bid

There is no direct or indirect benefit arising from the normal course issuer bid to any of the persons or companies named in Item 10 other than those available to all shareholders of the Corporation.

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12. Material Changes in the Affairs of the Issuer

There are no material changes or plans or proposals for material changes in the affairs of the Corporation that have not previously been publicly disclosed.

13. Certificate

The undersigned, duly authorized by the Board of Directors of the Corporation, certifies that this notice is complete and accurate and in compliance with Part 6 of the Rules and Policies of the TSX. This notice contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it is made.

Calgary, May 31, 2006.

Signed: Brian W. Grassby
Brian W. Grassby
Acting Chief Financial Officer and
Vice-President and Comptroller