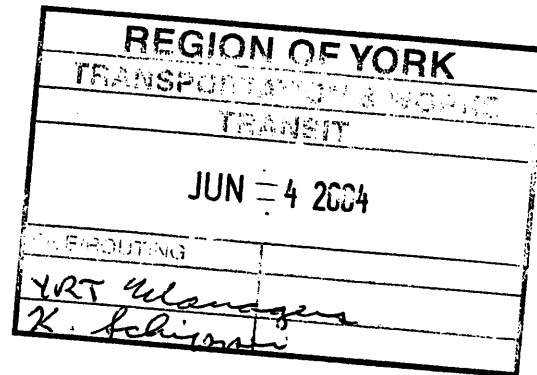


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June 2, 2004

Mr. Don Gordon
General Manager
Regional Municipality of York Region
50 High Tech Rd
Richmond Hill, ON
L4B 4N7



Dear Mr. Gordon:

We are taking this opportunity to write you concerning a key change in the GTA Integrated Ticket System project, in which your transit system has been an active participant. As you are aware, this project has been an important priority for the government since its inception. The extent of that priority has been demonstrated by the province's funding of 100% of the current design phase as well as our significant commitment to investing in the future phases of the project.

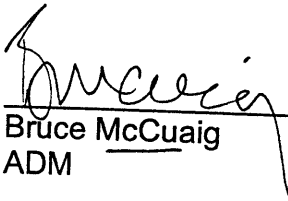
GO has done an excellent job of bringing the project to where it is today. Looking ahead, the Minister of Transportation is keenly interested in ensuring that this project has all the resources and the appropriate structure necessary to meet the government's commitment for timely delivery. In order to respond to this, the ministry will be providing oversight of the project; effective immediately, in order to be fully accountable to the Minister for this project on a day-to-day basis.

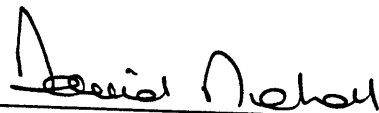
We want to assure you that, despite this key change, just about all other aspects of the project will be continue unchanged. The Project Team, the consultant contract, your municipal representatives, the regular Steering Committee meetings, even the location of the project office, all will remain the same. In order to ensure the team can achieve the necessary timelines, MTO will supplement staff in key areas.

The only other area of change that you will notice is that henceforth, the regular Steering Committee meetings will be chaired by the Project Manager. Our Executive Review Committee meetings will also continue as before, although our intention is that they be refocused to become a stronger forum for communication and dialogue between the ministry and the municipalities.

By providing the necessary resources and leadership, we wish to re-emphasize the government's strong commitment to the success of the GTA Integrated Ticket System project. We strongly believe that this important project will have a major impact on the future success of transit as a convenient and viable transportation alternative in the GTA. We trust that you, as a key partner in this exercise, will appreciate this increased commitment on the part of the ministry and will similarly continue your agency's commitment and full participation.

In closing we want to thank GO Transit and in particular Frances Chung for the leadership to date in setting the course and gaining the consensus that has brought us to this point in the project's evolution. We look forward to a continued close working relationship with Frances and all the staff at GO Transit.


Bruce McCuaig
ADM


Dave Nicholl
CIO

cc: The Honourable Harinder S. Takar
Minister of Transportation

Saad Rafi
Deputy Minister of Transportation

Gary McNeil
Managing Director, GO Transit