

CANADIAN PACIFIC RAILWAY LTD/CN  
Form 6-K  
May 21, 2010

**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 May, 2010**

**CANADIAN PACIFIC RAILWAY LIMITED**

(Commission File No. 1-01342)

**CANADIAN PACIFIC RAILWAY COMPANY**

(Commission File No. 1-15272)

(translation of each 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 registrants file or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrants are submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrants are submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrants by furnishing the information contained in this Form are 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. 333-140955 (Canadian Pacific Railway Limited), 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, each registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CANADIAN PACIFIC RAILWAY LIMITED  
(Registrant)

Date: May 20, 2010

By: /s/ Karen L. Fleming  
Name: Karen L. Fleming  
Title: Corporate Secretary

CANADIAN PACIFIC RAILWAY COMPANY  
(Registrant)

Date: May 20, 2010

By: /s/ Karen L. Fleming  
Name: Karen L. Fleming  
Title: Corporate Secretary

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Release: Immediate, May 20, 2010

**CANADIAN PACIFIC RAILWAY ANNOUNCES DIVIDEND INCREASE AND ADDITIONAL CAPITAL INVESTMENT**

CALGARY The Board of Directors of Canadian Pacific Railway Limited (TSX/NYSE: CP) today declared an increase in CP's next quarterly dividend to twenty seven cents (\$0.27) Canadian per share on the outstanding Common Shares, from twenty-four and three quarter cents (\$0.2475) per share. The increased dividend is payable on July 26, 2010, to holders of record at the close of business on June 25, 2010, and is an eligible dividend pursuant to subsection 89(14) of the Income Tax Act.

The Board also approved a \$70 million increase in capital spending in 2010. CP now plans to spend in the range of \$750 million to \$800 million on capital programs in 2010.

The improving economy, our strong balance sheet and solid earnings and free cash flows have enabled us to expand our capital programs to take advantage of growth and productivity opportunities said Kathryn McQuade, Executive Vice President and Chief Financial Officer. CP's strong franchise showed resilience through the recession and this dividend increase continues our trend of dividend growth aligned with earnings growth.

About Canadian Pacific:

Canadian Pacific, through the ingenuity of its employees located across Canada and in the United States, remains committed to being the safest, most fluid railway in North America. Our people are the key to delivering innovative transportation solutions to our customers and to ensuring the safe operation of our trains through the more than 1,100 communities where we operate. Come and visit us at [www.cpr.ca](http://www.cpr.ca) to see how we can put our ingenuity to work for you.

Note on forward-looking information:

This news release contains certain forward-looking statements. Undue reliance should not be placed on forward-looking information as actual results may differ materially.

By its nature, CP's forward-looking information involves numerous assumptions, inherent risks and uncertainties, including, but not limited to, the following factors: changes in business strategies; general North American and global economic, credit and business conditions; risks in agricultural production such as weather conditions and insect populations; the availability and price of energy commodities; the effects of competition and pricing pressures; industry capacity; shifts in market demand; changes in laws and regulations, including regulation of rates; changes in taxes and tax rates; potential increases in maintenance and operating costs; uncertainties of litigation; labor disputes; risks and liabilities arising from derailments; transportation of dangerous goods, timing of completion of capital and maintenance projects; currency and interest rate fluctuations; effects of changes in market conditions and discount rates on the financial position of pension plans and investments; and various events that could disrupt operations, including severe weather conditions, security threats and governmental response to them, and technological changes.

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There are factors that could cause actual results to differ from those described in the forward-looking statements contained in this news release. These more specific factors are identified and discussed elsewhere in this news release with the particular forward-looking statement in question.

Except as required by law, CP undertakes no obligation to update publicly or otherwise revise any forward-looking information, whether as a result of new information, future events or otherwise.

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