



CIRCULAR 113-19  
August 23, 2019

**ANTICIPATED CONTRACT ADJUSTMENT  
Kinder Morgan Canada Ltd. (KML)  
Plan of Arrangement**

**THE FOLLOWING INFORMATION IS PREPARED FOR THE CONVENIENCE OF CANADIAN DERIVATIVES CLEARING CORPORATION (CDCC) MEMBERS AND BOURSE DE MONTRÉAL INC. (THE BOURSE) APPROVED PARTICIPANTS. THIS DOCUMENT IS AN UNOFFICIAL SUMMARY OF CERTAIN TERMS OF THE AFOREMENTIONED ADJUSTMENT. CDCC AND THE BOURSE ACCEPT NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE SUMMARY. CDCC MEMBERS AND BOURSE APPROVED PARTICIPANTS MUST ENSURE THEY HAVE REVIEWED THE DOCUMENTATION PUBLISHED BY THE ISSUERS INVOLVED IN THIS CORPORATE ACTION.**

The Bourse and CDCC wish to inform you that Pembina Pipeline Corporation ("Pembina" or the "Company") (TSX: PPL; NYSE: PBA) announced that it has entered into agreements pursuant to which it will acquire Kinder Morgan Canada Limited (TSX: KML) ("Kinder Morgan Canada" or "KML") (the "Corporate Acquisition") and the U.S. portion of the Cochin Pipeline system ("Cochin US") from Kinder Morgan, Inc. ("KMI") (the "Cochin US Acquisition") for a total purchase price of approximately \$4.35 billion (the "Transaction") by way of a plan of arrangement under the Business Corporations Act (Alberta).

Under the terms of the arrangement agreement, Pembina will acquire all of the issued and outstanding restricted voting shares (the "Restricted Voting Shares") and special voting shares (the "Special Voting Shares") of Kinder Morgan Canada in exchange for 0.3068 of a common share of Pembina.

Completion of the transaction is subject to a number of conditions, court and shareholder approval, receipt of certain regulatory approvals, and is cross-conditional on the closing of both the Corporate Acquisition and the Cochin US Acquisition.

The Corporate Acquisition is also subject to clearance under the *Competition Act* (Canada) and the *Canada Transportation Act*.

The Corporate Acquisition has been unanimously approved by the board of directors of the Company and is expected to close in the first half of 2020.

**PLEASE ENSURE THAT ALL CLIENTS WHO HAVE EITHER LONG OR SHORT POSITIONS IN THIS OPTION CLASS ARE ADVISED OF THIS NOTICE.**

For further information, please contact Market Operations Department at (514) 871-7877. Clearing members may contact the CDCC Corporate Operations Department.

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