



Union Gas Limited

**Information Memorandum**  
**Short Term Promissory Notes**  
**\$500,000,000**

This Information Memorandum is not, and under no circumstances is to be construed as, an offering of the short term promissory notes described herein for sale or delivery in the United States of America or the territories or possessions thereof.

This Information Memorandum does not constitute an offering of the short term promissory notes described herein in any jurisdiction where such offering would be prohibited. This Information Memorandum does not in any way obligate Union Gas Limited to accept an offer to purchase the short term promissory notes described herein.

This Information Memorandum is confidential and does not constitute an offer or a solicitation of an offer to the public for the purchase or sale of any securities. Under no circumstances are its contents to be reproduced or distributed to the public or the media. The information contained herein is not guaranteed as to its accuracy, reliability, completeness or timeliness. No person has been authorized to give any information or to make any representation not contained in this Information Memorandum and, if given or made, such information or representation must not be relied upon as having been authorized.

**September 13, 2007**

## Union Gas Limited

Union Gas Limited (the “Corporation”) was originally incorporated under the laws of the Province of Ontario by letters patent dated December 19, 1911 and was amalgamated with Centra Gas Ontario Inc. on January 1, 1998 pursuant to the *Business Corporations Act* (Ontario). The Corporation’s head office is located at 50 Keil Drive North, Chatham, Ontario N7M 5M1.

Prior to January 2, 2007, the Corporation was an indirect wholly-owned subsidiary of Duke Energy Corporation (“Duke Energy”). On January 2, 2007, Duke Energy created two separate publicly traded companies by spinning off Duke Energy’s natural gas business to Duke Energy shareholders. The new natural gas company, Spectra Energy Corp, consists of Duke Energy’s former Natural Gas Transmission business segment, which includes the Corporation.

The Corporation owns and operates natural gas transmission, distribution and storage facilities in Ontario. The property, plant and equipment of the Corporation consists primarily of pipeline, storage and compression facilities used in the transportation, storage and distribution of natural gas.

The Corporation provides natural gas delivery and related services to approximately 1.3 million residential, commercial and industrial customers in over 400 communities in northern, southwestern and eastern Ontario. The Corporation’s distribution service area extends throughout northern Ontario from the Manitoba border to the North Bay/Muskoka area, through southern Ontario from Windsor to just west of Toronto, and across eastern Ontario from Port Hope to Cornwall. The Corporation’s franchise area has a population of approximately four million people and a diversified commercial and industrial base.

The Corporation provides natural gas storage and transportation services for other utilities and energy market participants in Ontario, Quebec and the United States. The Corporation’s storage and transmission system forms an important link in moving natural gas from western Canadian and U.S. supply basins to central Canadian and northeastern U.S. markets. Transportation and storage customers are primarily Canadian natural gas transmission and distribution companies.

The Corporation’s transmission system has over 4,300 kilometres of pipe and has a peak daily capacity of over 5 Bcf per day. Key interconnects with TransCanada, Great Lakes Gas Transmission, Panhandle Eastern Pipe Line, Vector Pipeline, MichCon and Bluewater Gas Storage LCC enable the Corporation to transport about 1.3 Tcf of physical gas through its system every year.

The Corporation’s transmission system also links an extensive network of underground storage pools at Dawn, Ontario, located south of Sarnia (“Dawn”), to major Canadian and U.S. markets. Through its transmission system, the Corporation gives shippers access to 15 pipeline and distribution companies. Customers can purchase both firm and interruptible transportation services on the Corporation’s system.

The Corporation operates an integrated storage facility at Dawn. Natural gas is stored in more than 20 depleted reef reservoirs. Dawn has over 150 Bcf of working capacity and can deliver over 2 Bcf of gas from storage under peak operating conditions for its customers. All storage pools are tied into the central compressor complex at Dawn, giving customers access to Dawn’s large volume reservoirs and high volume deliverability. The facility’s configuration provides flexibility for injections, withdrawals and cycling. High volume deliverability is available for almost every storage service. Customers can purchase both firm and interruptible storage services at Dawn.

## Short Term Promissory Notes

<b>Issuer:</b>	Union Gas Limited
<b>Principal Amount:</b>	The maximum principal amount of short term promissory notes ("Notes") authorized to be outstanding at any one time is \$500,000,000 in Canadian funds or the equivalent thereof in other currencies.
<b>Purpose:</b>	The net proceeds from the sale of Notes will be used for general corporate purposes.
<b>Form of Notes:</b>	The Notes will either be issued and made payable, originally or by endorsement, to a clearing house or its nominee ("Book-entry-only Form") or in bearer form, payable to the order of a named payee ("Certificated Form"). The Notes may be interest bearing or issued at a discount to mature at par.
<b>Denominations:</b>	Multiples of \$1,000, subject to a minimum of \$100,000, in Canadian funds or the equivalent thereof on the date of purchase in other currencies.
<b>Maturities:</b>	Up to 364 days from date of issue.
<b>Rates:</b>	Available on request.
<b>Payment and Delivery:</b>	Delivery by the Corporation of Book-entry-only Form Notes will be made to a clearing house or its nominee on behalf of its participant(s) and beneficial interest will be transferred and payments received in accordance with the <i>Depository Bills and Notes Act</i> (Canada) and the rules of the clearing house. Payment of the Book-entry-only Form Notes when due will be made by the Corporation through the clearing house in accordance with its rules. Delivery of Certificated Form Notes will be made against payment by certified cheque or bank draft. Certificated Form Notes will be issued for same day delivery through the branch of the Canadian chartered bank designated in the Note in Vancouver, Calgary, Toronto and Montreal or at a bank in the United States designated by the Corporation prior to the date of delivery. Upon maturity, payment will be made through the bank designated in the Certificated Form Note.
<b>Bank Lines of Credit:</b>	The Corporation maintains lines of credit with its bankers in amounts which, in the opinion of the Corporation, are sufficient for its operations, including its commercial paper activities.
<b>Restrictions:</b>	The Notes will not be offered for sale in the United States of America (including the States and the District of Columbia), its territories, its possession and other areas subject to its jurisdiction or to any citizen or resident of the United States of America. The Notes will not be sold outside Canada or to any person who is not resident in Canada, or to any person purchasing for resale to, or for the account or benefit of, any person who is not resident in Canada.

**Eligibility for Investment:** As outlined in the attached opinion of McCarthy Tétrault LLP, counsel to the Corporation, which opinion forms part of this Information Memorandum, the Notes are eligible investments under, or their purchase will not be prohibited by, the statutes listed below:

*Insurance Companies Act (Canada)*  
*Pension Benefits Standards Act, 1985 (Canada)*  
*Trust and Loan Companies Act (Canada)*  
*Financial Institutions Act (British Columbia)*  
*Employment Pension Plans Act (Alberta)*  
*Insurance Act (Alberta)*  
*Loan and Trust Corporations Act (Alberta)*  
*Trustee Act (Alberta)*  
*Alberta Heritage Savings Trust Fund Act (Alberta)*  
*Insurance Act (Ontario)*  
*Pension Benefits Act (Ontario)*  
*an Act respecting insurance (Québec) (in respect of insurers other than guarantee funds)*  
*Supplemental Pension Plans Act (Québec)*  
*an Act respecting trust companies and savings companies (Québec) (for a trust company investing its own funds and deposits it receives and a savings company investing its funds)*

**Rating:** As at the date hereof and subject to change without notice, the Notes have the following ratings:

<u>Agency</u>	<u>Rating</u>
Dominion Bond Rating Service Limited	R-1 (low)
Standard & Poor's Corporation	A-2

**Information Memorandum:** This Information Memorandum dated September 13, 2007 replaces the Corporation's Information Memorandum dated July 25, 1994.

# Union Gas Limited

## Borrowing By-Law

### By-Law No. 65, Section 3:

#### SECTION THREE BORROWING AND SECURITY

3.01 Borrowing Power. – Without limiting the borrowing powers of the Corporation as set forth in the Act, but subject to the articles, the board may from time to time on behalf of the Corporation, without authorization of the shareholders:

- (a) borrow money upon the credit of the Corporation;
- (b) issue, reissue, sell or pledge bonds, debentures, notes or other evidences of indebtedness or guarantee of the Corporation, whether secured or unsecured;
- (c) to the extent permitted by the Act, give directly or indirectly financial assistance to any person by means of a loan, a guarantee or otherwise on behalf of the Corporation to secure performance of any present or future indebtedness, liability or obligation of any person; and
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any currently owned or subsequently acquired real or personal, movable or immovable, property of the Corporation including book debts, rights, powers, franchises and undertakings, to secure any such bonds, debentures, notes or other evidences of indebtedness or guarantee or any other present or future indebtedness, liability or obligation of the Corporation.

Nothing in this section limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

3.02 Delegation. – Unless the articles of the Corporation otherwise provide, the board may from time to time delegate to a director, a committee of the board, or an officer of the Corporation any or all of the powers conferred on the board by section 3.01 to such extent and in such manner as the board may determine at the time of such delegation.

The undersigned, the Vice President, Government Relations and General Counsel of Union Gas Limited, certifies that the foregoing is a true and correct copy of section 3 of General By-Law No. 65 of the Corporation and that section 3 of such By-Law has not been amended or rescinded and is in full force and effect as of the date hereof.

Dated the 13<sup>th</sup> day of September, 2007.

*(signed) Bruce E. Pydee*  
Bruce E. Pydee  
Vice President, Government  
Relations and General Counsel

# Union Gas Limited

## Resolutions of the Board of Directors Authorizing the Issue and Sale of Short Term Promissory Notes

### RESOLVED THAT:

1. In addition to other borrowings heretofore authorized by the Directors, the Corporation is authorized from time to time to borrow money up to an aggregate principal amount at any time outstanding of five hundred and fifty million (\$550,000,000) Canadian dollars or the equivalent in U.S. or other currency, and to issue in respect of any borrowings its unsecured promissory notes (the "Notes") maturing on such date or dates (being not more than 365 days from the date of issue) in such principal amount or amounts (being not less than \$100,000 per Note) and as interest bearing Notes at par, at such rate or rates as may be specified in such Notes respectively or as non-interest bearing Notes at a discount, at such rate or rates as may be specified in au Notes respectively.
2. The President, the Senior Vice President, Finance and Regulatory Affairs, the Controller, and the Treasurer (the "Authorized Officers") of the Corporation are, and each of them is, hereby authorized to settle and approve the terms of such borrowings and of the Notes to be issued in respect thereof (including amounts, maturity dates and rates of interest or discount), such approval of an Authorized Officer with respect to any Note and the borrowing represented thereby to be conclusively evidenced by his signature on such Note on behalf of the Corporation.
3. In order to effectuate the issuance of Notes by the Corporation, any two of the Authorized Officers or any one of them and the Secretary or the Assistant Secretaries are hereby authorized to enter into an agreement on behalf of the Corporation with a Canadian chartered bank (the "Bank") whereby the Bank is authorized by the Corporation to act as agent for the Corporation for the purpose of safekeeping, completing, validating (as issuing agent or otherwise) and delivering such Notes and receiving the proceeds thereof including within such authorization, without limitation, authority to fill in the amount of each Note, the date of issuance thereof, the maturity date thereof, the rate of interest or discount (if any) thereon and the name of the payee thereof (or, in lieu of a named payee, the designation "Bearer"), as well as authority to deliver Notes to, and to receive matured Notes from such persons, firms or corporations by such means and receive or make payment in such amounts and in such manner and funds as said agreement may provide or contemplate; all instructions from the Corporation to the Bank with respect to the foregoing to be by such oral, written or telegraphic instructions and given by an Authorized Officer or by such other officers or employees (if any) of the Corporation as shall be designated in or pursuant to said agreement; said agreement to be for such period, to contain such other terms and conditions and to be in such form as the Authorized Officers executing the same on behalf of the Corporation may approve, which approval shall be conclusively evidenced by such execution.
4. The Notes may but need not be under the seal of the Corporation; shall be signed in the name of and on behalf of the Corporation by any two of the President, the Senior Vice President, Finance and Regulatory Affairs, the Controller, and the Treasurer, or any one of them and the Secretary or the Assistant Secretaries or any one of the foregoing together with a Director, provided that one of such signatures shall in all cases be the signature of an Authorized Officer; each of such signatures may be in manual or facsimile form; provided that no Note shall be valid or shall be binding upon the Corporation unless such signatures appearing thereon are manually validated by the Bank; any Note so executed shall after delivery for value be valid and binding on the Corporation notwithstanding that at any time after the execution thereof any person signing the same shall have ceased to hold the office in the Corporation held by him at the time of such signing.
5. The limitations set forth in this resolution as to the aggregate principal amount of Notes that may be outstanding are directory only and shall not in any way limit the rights of a holder of any Notes issued by the Corporation and executed on its behalf in accordance with paragraph 4 hereof.

6. The Authorized Officers are, and each of them is, hereby authorized to execute and deliver under the corporate seal of the Corporation or otherwise all such agreements, contracts and other instruments and to perform and do all such acts and things as they in their discretion may consider necessary, desirable or useful for the purpose of giving effect to this resolution and for the creating and issuing of Notes in accordance herewith.
7. The Authorized Officers, the Secretary and the Assistant Secretaries are, and each of them is hereby authorized and directed to certify copies of this resolution and the signatures and/or incumbencies of any of the persons therein mentioned from time to time to any investment dealer, broker or lender, who shall be entitled to rely thereon until notice to the contrary or of any change therein has been given in writing by an Authorized Officer or the Secretary or the Assistant Secretaries to such investment dealer broker or lender.
8. The Resolution passed by the Directors on August 3, 1991 authorizing short term borrowing by the Corporation and the issue of promissory notes in respect thereof is hereby revoked.

The undersigned, the Vice President, Government Relations and General Counsel of Union Gas Limited, certifies that the foregoing are true and correct copies of the resolutions passed by written resolution of the directors of the Corporation dated October 1, 1993 and which resolutions have not been amended or rescinded and are in full force and effect as of the date hereof.

Dated the 13<sup>th</sup> day of September, 2007.

(signed) Bruce E. Pydee  
Bruce E. Pydee  
Vice President, Government  
Relations and General Counsel

## Union Gas Limited

### Signatures of Authorized Signing Officers

<u>Name</u>	<u>Position</u>	<u>Signature</u>
Gregory L. Ebel	Group Vice President and Chief Financial Officer	<u>(signed) Gregory L. Ebel</u>
Paul K. Haralson	Assistant Treasurer	<u>(signed) Paul K. Haralson</u>
Patricia Rice	Corporate Secretary	<u>(signed) Patricia Rice</u>

The undersigned, the Vice President, Government Relations and General Counsel of Union Gas Limited, certifies that the persons named above are duly appointed officers in the Corporation and that the signature of such officers are their true signatures.

Dated the 13<sup>th</sup> day of September, 2007.

(signed) Bruce E. Pydee  
Bruce E. Pydee  
Vice President, Government  
Relations and General Counsel

Barristers & Solicitors  
Patent & Trade-mark Agents

McCarthy Tétrault

**McCarthy Tétrault LLP**  
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Vancouver BC V7Y 1K2  
Canada  
Telephone: 604 643-7100  
Facsimile: 604 643-7900  
mccarthy.ca

September 13, 2007

Union Gas Limited  
50 Keil Drive North  
Chatham, Ontario  
N7M 5M1

Dear Sirs/Madames:

**Re: Issue of Short Term Promissory Notes**

We have acted as counsel to Union Gas Limited (the "Corporation") in connection with the proposed issue and sale by the Corporation of short term promissory notes (the "Notes") having maturity dates not more than 364 days from their respective dates of issue and denominations of not less than \$100,000 in lawful money of Canada or the equivalent thereof on the date of purchase in other currencies and more particularly described in the Corporation's information memorandum dated September 13, 2007, of which this opinion forms part (the "Information Memorandum"). The Corporation has limited the aggregate principal amount of Notes which may be outstanding at any time to \$500,000,000 and the Notes are not convertible or exchangeable into or accompanied by a right to purchase another security.

Scope of Review

We have examined originals or copies, certified or otherwise identified to our satisfaction, of such documents, records of corporate proceedings, certificates of officers of the Corporation and of government officials and such other material as we have considered necessary or appropriate for the purposes of this opinion. In such examination, we have assumed the genuineness of all documents submitted to us as originals and the conformity to the originals of all documents submitted to us as certified or conformed copies or facsimiles.

As to various questions of fact material to our opinion which we have not verified independently, we have relied upon certificates of, or letters from, government officials, the Corporation or its officers and the Corporation's auditors. The qualification of any opinion or statement with respect to the existence or absence of facts "of which we are aware" means actual awareness by those of our lawyers involved in the issue by the Corporation of the Notes.

In giving the opinion in paragraph 4 below, we have relied solely upon the MRRS Decision Document dated June 30, 2006, granted by the Ontario Securities Commission on its own behalf and on behalf of the securities regulatory authorities of each of the provinces and territories of Canada.

In giving the opinions set forth below with respect to provinces other than Alberta, British Columbia, Ontario and Québec, we have relied upon opinions of counsel in the provinces of Saskatchewan, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia and Prince Edward Island and upon opinions of counsel in Nunavut, the Northwest Territories and Yukon. We believe you, and we, are entitled to rely on such opinions. To the extent that such opinions are based on any assumption or are made subject to any limitation or qualification, this opinion is based on the same assumption and made subject to the same limitation or qualification.

We are solicitors qualified to practise law in the provinces of Alberta, British Columbia, Ontario and Québec. This opinion is limited to the laws of the province of British Columbia and the federal laws of Canada applicable therein, except for (i) the opinion in paragraph 4 which is with respect to the laws of each of the provinces and territories of Canada subject to and rendered, in the case of the opinions referred to in the previous paragraph, in reliance on the opinions of counsel described above, (ii) the opinion in paragraph 5 which is also with respect to the laws of

Alberta, Ontario, Québec and the federal laws of Canada applicable therein, in each case as such laws are in force at the date hereof.

Qualifications

With respect to the opinion expressed in paragraph 3, the enforceability of the Notes may be limited by: (a) any applicable bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally; (b) the qualification that the granting of equitable remedies such as specific performance and injunction are in the discretion of the court having jurisdiction; (c) the equitable or statutory power of the court having jurisdiction to stay proceedings before it and the execution of judgments; (d) the qualification that the interest rate specified in an interest bearing Note may not be enforceable after a judgment is obtained against the Corporation for the amount owing thereunder; (e) with respect to Notes payable in a currency other than that of Canada, the *Currency Act* (Canada) which provides that judgment in courts in Canada may be obtained only in Canadian currency, and (f) the provisions for the payment of interest under any Note may be unenforceable if "interest" is to be received under the Note at a "criminal rate", in each case within the meaning of section 347 of the *Criminal Code* (Canada).

We have assumed that any "market intermediary" (as such term is defined in the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador), as applicable), which participates in a trade of the Notes in Ontario or Newfoundland and Labrador is registered under the applicable securities legislation of Ontario or Newfoundland and Labrador, as the case may be, in a category permitting it to trade in Notes in Ontario and Newfoundland and Labrador and that any such market intermediary has complied with all such applicable securities laws relating to its registration in connection with the trades of the Notes in Ontario and Newfoundland and Labrador. We have also assumed that any agent acting in connection with the offer and sale of the Notes that is a registered dealer or broker under any applicable securities laws has complied with the relevant provisions of such applicable securities laws and the terms of such registration in connection with such offer and sale and that at the time of any trade in the Notes hereafter referred to no order, ruling, decision or condition of any agent's registration is in effect that restricts any trades in the Notes or that affects any person or company that engages in any such trades, including, without limitation, cease trade orders and conditions of registration directing that any dealer registration exemption does not apply to any person or company.

Opinion

Based upon and subject to the foregoing, we are of the opinion that:

1. The Corporation is a corporation incorporated and subsisting under the *Business Corporations Act* (Ontario) and has the corporate power to borrow money and to create, issue and sell the Notes.
2. All necessary corporate action has been taken by the Corporation to authorize the borrowing of money through the sale of the Notes and the creation, issue and sale of the Notes.
3. The Notes, when issued in the form of the specimen copy set forth in the Information Memorandum, and when signed by the manual or facsimile signatures of any two directors or officers of the Corporation and, in the case of Notes issued in certificated form only, countersigned by either manual or facsimile signature on behalf of the Corporation, and when delivered by or on behalf of the Corporation for value, will constitute valid and legally binding obligations of the Corporation, enforceable in accordance with their respective terms.
4. The Corporation may offer and sell the Notes in each province and territory of Canada without making any filing under, or registering with, any governmental or public body or authority pursuant to the securities legislation in each of the provinces and territories of Canada, except for the filing without delay with the Autorité des marchés financiers of the Information Memorandum and any other disclosure document delivered to purchasers of the Notes in Québec, provided that the Notes have a rating at or above one of the following rating categories (each an "Approved Credit Rating") or a category that replaces one of the

following rating categories issued by an approved credit rating organization, as indicated below, or any of their respective successors (each an “Approved Credit Rating Organization”):

<u>Approved Credit Rating Organization</u>	<u>Approved Credit Rating</u>
Dominion Bond Rating Service Limited	R-1 (low)
Fitch Ratings Ltd.	F2
Moody’s Investors Service	P-2
Standard & Poor’s	A-2

5. The Notes offered hereby, as of the date hereof, will not be precluded as investments, subject to compliance with the prudent investment standards and general investment provisions and restrictions of the statutes referred to below (and, where applicable, regulations or guidelines thereunder) and, in certain cases, subject to the satisfaction of additional requirements relating to investment or lending policies, procedures or goals and, in certain cases, the filing of such policies, procedures or goals, under the following statutes:

*Insurance Companies Act (Canada)*  
*Pension Benefits Standards Act, 1985 (Canada)*  
*Trust and Loan Companies Act (Canada)*  
*Financial Institutions Act (British Columbia)*  
*Employment Pension Plans Act (Alberta)*  
*Insurance Act (Alberta)*  
*Loan and Trust Corporations Act (Alberta)*  
*Trustee Act (Alberta)*  
*Alberta Heritage Savings Trust Fund Act (Alberta)*  
*Insurance Act (Ontario)*  
*Pension Benefits Act (Ontario)*  
*an Act respecting insurance (Québec) (in respect of insurers other than guarantee funds)*  
*Supplemental Pension Plans Act (Québec)*  
*an Act respecting trust companies and savings companies (Québec) (for a trust company investing its own funds and deposits it receives and a savings company investing its funds)*

Yours truly,

*(signed) McCarthy Tétrault LLP*

### **Statutory Rights of Action for Damages or Rescission - Nova Scotia**

Section 138 of the *Securities Act* (Nova Scotia) provides that if this Information Memorandum, together with any amendment hereto, or any record incorporated by reference in, or deemed incorporated into, this Information Memorandum or any amendment hereto, or any advertising or sales literature (as defined in the *Securities Act* (Nova Scotia)) in respect of the Notes contains an untrue statement of a material fact or omits to state a material fact that is required to be stated or that is necessary in order to make any statement contained herein or therein not misleading in light of the circumstances in which it was made (a “misrepresentation”), any purchaser to whom this Information Memorandum is sent or delivered who purchases the Notes referred to in this Information Memorandum, or such amendment or record, and any purchaser who purchases the Notes referred to in such advertising or sales literature, is deemed to have relied on that misrepresentation if it was a misrepresentation at the time of purchase and has, subject as hereinafter provided, a statutory right of action for damages against the seller (including the Corporation), every director of the seller at the date of this Information Memorandum, and every person who signed this Information Memorandum (and the liability of such persons and companies is joint and several with respect to the same cause of action), or the purchaser may elect instead to exercise a statutory right of rescission against the seller in which case the purchaser has no right of action for damages against the seller, any director of the seller at the date of this Information Memorandum, or any person who signed this Information Memorandum, provided that:

- (a) no action shall be commenced to enforce the right of rescission or damages created under Section 138 of the *Securities Act* (Nova Scotia) more than 120 days after the date payment was made for the Notes (or after the date on which initial payment was made for the Notes where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment);
- (b) no person or company is liable under Section 138 of the *Securities Act* (Nova Scotia) if the person or company proves that the purchaser purchased the Notes with knowledge of the misrepresentation;
- (c) no person or company, other than the Corporation, is liable under Section 138 of the *Securities Act* if the person or company proves that:
  - (i) this Information Memorandum, or the amendment hereto, was sent or delivered to the purchaser without the person’s or company’s knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person’s or company’s knowledge or consent;
  - (ii) after delivery of this Information Memorandum, or the amendment hereto, and before the purchase of the Notes by the purchaser, on becoming aware of any misrepresentation in this Information Memorandum, or the amendment hereto, or any record incorporated or deemed incorporated by reference therein, the person or company withdrew the person’s or company’s consent to this Information Memorandum, or amendment hereto, or such record, and gave reasonable general notice of the withdrawal and the reason for it; or
  - (iii) with respect to any part of this Information Memorandum, or amendment hereto, or any record incorporated or deemed to be incorporated by reference therein, purporting to be made on the authority of an expert, or to be a copy of, or an extract from a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that there had been a misrepresentation, or that the relevant part of this Information Memorandum, or amendment hereto, or such record, did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or extract from, the report, opinion or statement of the expert;
- (d) no person or company, other than the Corporation, is liable under Section 138 of the *Securities Act* (Nova Scotia) with respect to any part of this Information Memorandum, or amendment hereto, or any record incorporated or deemed incorporated by reference therein, not purporting to be made on the authority of an expert, or to be a copy of or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation to provide

reasonable grounds for a belief that there had been no misrepresentation, or believed that there had been a misrepresentation;

- (e) in an action for damages under Section 138 of the *Securities Act* (Nova Scotia), the defendant is not liable for all or any part of the damages that the defendant proves does not represent the depreciation in value of the Notes resulting from the misrepresentation;
- (f) the amount recoverable by a plaintiff under Section 138 of the *Securities Act* (Nova Scotia) may not exceed the price at which the Notes were offered under this Information Memorandum or amendment hereto.

The right of action for rescission or damages conferred by Section 138 of the *Securities Act* (Nova Scotia) is in addition to and not in derogation from any other right or remedy available at law or otherwise to the purchaser.



Union Gas Limited

No.  
N°

**PROMISSORY NOTE/BILLET À ORDRE  
DISCOUNT/INTEREST BEARING/À ESCOMPTE/PORTANT INTÉRÊT**

This is a depository note subject to the *Depository Bills and Notes Act* (Canada).  
*Le présent billet est un billet de dépôt assujéti à la Loi sur les lettres de dépôt et les billets de dépôt (Canada).*

Issue Date  
*Date d'émission*

Due Date  
*Date d'échéance*

**Union Gas Limited**, for value received, hereby promises to pay to or to the order of CDS & Co.  
*Union Gas Limited, valeur reçue, promet par les présentes de payer à CDS & Co. ou à son ordre*

on the due date, the sum of  
*à la date d'échéance, la somme de*

in lawful money of  
*en monnaie légale du (de, des, d')*

per annum from the date hereof to the date of maturity, upon due presentation and surrender of this promissory note.  
*l'an à compter de la date des présentes jusqu'à la date d'échéance, sur présentation valable et remise du présent billet à ordre.*

with interest thereon at the rate of \_\_\_\_\_ per cent ( % )  
*avec intérêt au taux de \_\_\_\_\_ pour cent ( % )*

**Union Gas Limited**

By/par: \_\_\_\_\_  
Authorized Signing Officer/*Signataire autorisé*

By/par; \_\_\_\_\_  
Authorized Signing Officer/*Signataire autorisé*

Book-Entry-Only Form  
Inscription en compte uniquement



Union Gas Limited

No.  
N°

**PROMISSORY NOTE/BILLET À ORDRE  
DISCOUNT/INTEREST BEARING/À ESCOMPTE/PORTANT INTÉRÊT**

Issue Date  
*Date d'émission*

Due Date  
*Date d'échéance*

**Union Gas Limited**, for value received, hereby promises to pay to or to the order of  
**Union Gas Limited**, *valeur reçue, promet par les présentes de payer à ou à son ordre*

on the due date, the sum of  
*à la date d'échéance, la somme de*

in lawful money of  
*en monnaie légale du (de, des, d')*

per annum from the date hereof to the date of maturity, upon due presentation and surrender of this promissory note.  
*l'an à compter de la date des présentes jusqu'à la date d'échéance, sur présentation valable et remise du présent billet à ordre.*

with interest thereon at the rate of \_\_\_\_\_ per cent ( % )  
*avec intérêt au taux de \_\_\_\_\_ pour cent ( % )*

This promissory note shall become valid only when manually countersigned by a duly authorized officer of the issuing agent.  
*Le présent billet à ordre ne devient valide que lorsqu'il a été contresigné à la main par un signataire dûment autorisé de l'agent émetteur.*

Countersigned as issuing agent for **Union Gas Limited**  
*Contresigné à d'agent émetteur Union Gas Limited*

**Union Gas Limited**

By/par:: \_\_\_\_\_  
Authorized Signing Officer/*Signataire autorisé*

By/par: \_\_\_\_\_  
Authorized Signing Officer/*Signataire autorisé*

By/par: \_\_\_\_\_  
Authorized Signing Officer/*Signataire autorisé*

Certificated Form  
Certificat

