February 4, 2011

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: EB-2010-0039 Declaratory Order in respect of Deferral Account No. 179-121 and 179-122

This evidence is filed in respect of Union's request for declaratory relief from the Board ordering that the amounts in deferral accounts 179-121 and 179-122 not be disposed of until the sale of the St. Clair Line has closed or the project is cancelled. Please find the further pre-filed evidence of Union Gas Limited, enclosed as Exhibit C, and the pre-filed evidence of DTE Pipeline Company, enclosed as Exhibit D.

Yours truly,

[Original signed by]

Karen Hockin
Manager, Regulatory Initiatives

c.c.: Crawford Smith, Torys
Mark Kitchen, Union Gas Limited
EB-2010-0039 Intervenors

EVIDENCE SUPPORTING THE DEFERRED DISPOSITION OF DEFERRAL ACCOUNTS 179-121 AND 179-122

INTRODUCTION

On April 22, 2010, Union Gas Limited filed an application seeking approval to dispose of its 2009 non-commodity related deferral account balances and 2009 earnings sharing (EB-2010-0039). In its application, Union proposed not to dispose of the balances in two deferral accounts, 179-121 and 179-122, that had been established by the Board as the transaction underpinning those accounts – the sale of the St. Clair Line to Dawn Gateway Pipeline Limited Partnership – had not occurred. Rather, Union proposed to record in Account 179-121 the $6.402 million amount to be allocated to the ratepayers at the time of the sale, and to record in Account 179-122 for disposition in the future the amount attributable to the St. Clair Line that is included in Union's rates. Union proposed to continue to track the ratepayer credit in deferral account 179-122 based on a sale date later than March 1, 2010 and to use the Ontario Energy Board's methodology as outlined in its EB-2008-0411 Decision to calculate the ratepayer credit.

On July 26 and 27, 2010, Union and intervenors participated in a Board-ordered Settlement Conference. The conference resulted in a comprehensive settlement of all issues including those in relation to the disposal of the balances in deferral accounts 179-121 and 179-122 (the "deferral accounts"). On that issue, the parties agreed to defer the determination of the disposal of the balances in the deferral accounts until after

November 1, 2010 – the date by which Dawn Gateway and its shippers were to decide whether the Dawn Gateway Pipeline would proceed for in-service in November 2011. Specifically, the parties agreed as follows:

> *"**15. Cumulative Under-recovery - St. Clair Transmission Line (179-121) and Impact of Removing St. Clair Transmission Line from Rates (179-122)***
>
> *The parties agree to defer determination of disposal of balances in deferral Account No. 179-121 and Account No. 179-122 until after November 1, 2010. November 1, 2010 is the deadline by which Dawn Gateway Limited Partnership ("Dawn Gateway") and its shippers will determine whether the Dawn Gateway Pipeline will proceed for in-service in November 2011.*
>
> *The parties request that this matter come back on for hearing before the Board on a date or dates agreeable to the Board between November 29, 2010 and December 31, 2010. The parties further agree that in advance of that hearing Union shall be entitled to file further written evidence to address any changes in circumstances subsequent to the date of the Settlement Agreement and that parties have an opportunity to ask interrogatories in respect of that evidence and file responding evidence.*
>
> *The agreement by the parties to defer any determination relating to the balances in Account No. 179-121 and Account No. 179-122 is without prejudice to the parties' positions with respect to the proper determinations concerning the accounts or the appropriateness of any relief requested in the proposed application.*
>
> …
>
> *Until a determination by the Board with respect to the balances in Accounts No. 179-121 and 179-122, Union will continue to track the ratepayer credit in deferral account 179-122 based on a sale date of March 1, 2010 as outlined by Union in response to CME interrogatories B3.14 and B3.31. Union will use the Board's methodology as outlined in its EB-2008-0411 Decision to calculate the ratepayer credit."*

At the time of the settlement, Union believed that postponing the determination of whether the deferral accounts should be disposed of was a reasonable compromise. It was

Union's belief that, after November 1, 2010, it would know whether Dawn Gateway and the five shippers that had entered into Precedent Agreements ("Shippers") intended to proceed with the project in 2011.

Subsequently, the Board ordered that a two day oral hearing be scheduled for December 6 and 7, 2010, to address the balances in the deferral accounts.

On November 19, 2010, Union filed a Notice of Motion with the Board seeking an order adjourning the hearing, to dates to be fixed by the Board in February, 2011. Union requested the adjournment to afford Dawn Gateway the time necessary to work with the Shippers and to complete another open season for service on the proposed Dawn Gateway Pipeline, the outcome of which may have resulted in the construction of the Dawn Gateway Pipeline for a November 2011 in-service date. If Dawn Gateway was able to garner sufficient interest the sale of the St. Clair Line would go forward and Union would dispose of the deferral accounts at the next available opportunity thus making a hearing unnecessary.

On December 3, 2010, the Board granted Union's motion, adjourning the hearing to late February, 2011, or such other time as agreed to by parties, pending the outcome of continued discussions with Shippers and the open season.

In the result, Dawn Gateway was unable to secure the necessary support from existing Shippers or new shippers through the open season to proceed with construction for November, 2011 in-service. Accordingly, pursuant to the EB-2010-0039 Settlement Agreement and the Board's adjournment Decision, Union provides the following evidence in support of its request for an order deferring the disposition of the balances in the deferral accounts until such time that the sale of St. Clair Line has closed or is otherwise cancelled.

In the event the Dawn Gateway project does not proceed and the St. Clair Line is not sold, Union will file a motion with the Board requesting orders to close the deferral accounts and to return the St. Clair Line to rate base. If the Dawn Gateway project does not proceed, no deferral account credits would be disposed of to ratepayers.

Union's evidence is organized under the following headings:

1. The Dawn Gateway Project
2. Regulatory Approvals
3. Purchase and Sale Agreement
4. Market Impact on the Construction of the Dawn Gateway Pipeline
5. Union's Position During Negotiations to Defer Construction of the Dawn Gateway Pipeline and With Respect to the Sale of the St. Clair Line
6. Market Conditions Since Agreeing to Postpone Construction of the Dawn Gateway Pipeline

7. Conclusion

1. THE DAWN GATEWAY PROJECT

In 2008, Spectra Energy and DTE Energy ("DTE"), through their respective affiliates, established Dawn Gateway Pipeline LLC ("Dawn Gateway LLC"), Dawn Gateway Pipeline Limited Partnership ("Dawn Gateway LP"), Dawn Gateway Pipeline General Partnership ("Dawn Gateway GP") (collectively, "Dawn Gateway") to develop a new gas transmission pipeline. Dawn Gateway has proposed to bring into service the Dawn Gateway Pipeline, which is a dedicated 34 km gas transmission pipeline that would create 360,000 Dth/d (379,876 GJ/d, 10,198 103m3/day) of capacity. The Dawn Gateway Pipeline would commence at Belle River Mills Compressor Station, in Michigan, which is owned by Michigan Consolidated Gas Company ("MichCon"), and would terminate at the Dawn Compressor Station, in Ontario, which is owned by Union.

Dawn Gateway is made up of two regulated entities: Dawn Gateway LP, a limited partnership formed pursuant to the laws of the Province of Ontario; and, Dawn Gateway LLC , a U.S. limited liability company. Spectra Energy and DTE, through their respective affiliates, each own 50 per cent of Dawn Gateway LP and Dawn Gateway, LLC and all decisions made by the partners must be unanimous. The Dawn Gateway ownership structure is attached Appendix A. The redacted Shareholder and Limited Partnership Agreements are attached at Appendix B.

DTE, as a marketing agent for Dawn Gateway, held a non-binding open season in September/October of 2008 to determine the level of interest in the services to be provided by Dawn Gateway. Based on the bids then received, DTE and Spectra Energy determined that there was sufficient interest in the proposed service to justify proceeding with the Dawn Gateway Pipeline proposal. Subsequently, the five Shippers, including Union, entered into Precedent Agreements to subscribe for a total of 280,000 Dth/d (295,459 GJ/d, 7,932 10^3m^3/d) of firm transportation service on the Dawn Gateway Pipeline. Any non-contracted capacity would be made available to shippers through future open seasons or through direct negotiation.

The Precedent Agreements provided for the execution of multi-year transportation contracts pursuant to which Dawn Gateway would provide shippers with gas transportation services between the Belle River Mills Compressor Station and the Dawn Compressor Station at a fixed price for the entire term of their respective transportation contracts.

2. REGULATORY APPROVALS

Subsequently, two applications were brought to the Board: EB-2008-0411 (in which Union sought leave to sell the St. Clair Line) and EB-2009-0422 (in which Dawn Gateway sought leave to construct and an alternative regulatory framework).

EB-2008-0411

On November 27, 2009, the Board granted Union's application for leave to sell the St. Clair Line on or before December 31, 2013. Leave to sell was granted on condition that Union allocate to the ratepayers, upon the sale of the St. Clair Line, the amount of $6.402 million as the ratepayers' share of a deemed net gain from the sale. This amount was fixed by the Board "to be allocated to the ratepayers to compensate for harm arising from the transaction" (Decision and Order para 123). The Board further ordered that the $6.402 million should be placed into a deferral account and that Union establish another deferral account to capture the effect of removing the St. Clair Line from rates effective March 1, 2010.

On March 15, 2009, Union filed two draft accounting orders with the Board establishing the deferral accounts: Account 179-121 to capture the $6.402 million to be allocated to the ratepayers at the time of the sale; and Account 179-122 to capture the effects of removing the St. Clair Line from rates effective March 1, 2010.

On May 11, 2010, the Board approved the accounting for the deferral accounts.

EB-2009-0422

On March 9, 2010, the Board issued its Decision in EB-2009-0422 granting Dawn Gateway leave to construct transmission facilities from the Bickford Compressor Station

to the Dawn Station and approving a complaint-based regulatory framework for Dawn Gateway equivalent to that applicable to Group 2 companies regulated by the NEB.

3. PURCHASE AND SALE AGREEMENT

In May, 2009, Union entered into a Purchase and Sale Agreement with Dawn Gateway regarding the sale of the St. Clair Line. Under the agreement, Union agreed to sell the St. Clair Line to Dawn Gateway. The Purchase and Sale Agreement was filed in confidence in EB-2008-0411.

The Purchase and Sale Agreement contains a number of conditions precedent including those related to regulatory approvals, certain of which were disclosed in Union's 2009 Annual Report. Article 3.1 sets out all of the conditions in favour of Dawn Gateway. These conditions are for the exclusive benefit of Dawn Gateway and may only be waived by that party in writing. The conditions include the following:

- Article 3.1(e) requiring a vote of Dawn Gateway's partners in favour of proceeding with the Pipeline System (as defined);
- Article 3.1 (g) relating to the contemporaneous closing of a lease or purchase between Dawn Gateway Pipeline LLC and Michigan Consolidated Gas Company;
- Article 3.1 (l) requiring regulatory approvals including from the Michigan authority for the operation of the Pipeline System.

None of the conditions referred to above have been waived by Dawn Gateway and the sale of the St. Clair Line has not closed.

4. MARKET IMPACT ON THE CONSTRUCTION OF THE DAWN GATEWAY PIPELINE

Shortly after receiving the EB-2009-0422 Decision several Shippers approached Dawn Gateway and sought to terminate the pipeline project due to the volatility in the natural gas market. The changing market conditions caused a rapid and significant decline in the long-term value of the Dawn Gateway Pipeline, which is measured by the spread or difference between the natural gas price in Michigan versus the natural gas price at Dawn, thus making the Dawn Gateway Pipeline uneconomic for the Shippers.

Spectra Energy and DTE, respecting the longstanding business relationships with the Shippers, ultimately agreed to delay the project subject to Dawn Gateway being reimbursed for third party project costs incurred to date. Dawn Gateway and Shippers entered into Amended Precedent Agreements on April 8th, 2010 to delay the project until 2011 or 2012. A copy of Union's Amended Precedent Agreement was filed in response to confidential undertaking JT1.1.

Dawn Gateway and the Shippers agreed to monitor market conditions and determine by November 1, 2010 whether the pipeline would proceed for in-service in November 2011. In the event that the Shippers did not want to proceed with the project in 2011, Dawn Gateway and its Shippers agreed to continue to monitor market conditions and determine by November 1, 2011 whether the pipeline would proceed for in-service in November 2012. If Shippers do not elect to notify Dawn Gateway for November 2012 in-service,

the Amended Precedent Agreements will terminate with no further obligations or liabilities for Shippers or Dawn Gateway.

5. UNION'S POSITION DURING NEGOTIATIONS TO DEFER CONSTRUCTION OF THE DAWN GATEWAY PIPELINE AND WITH RESPECT TO THE SALE OF THE ST. CLAIR LINE

Union was not one of the Shippers that approached Dawn Gateway requesting a delay in the construction of the Dawn Gateway Pipeline. Union's view then (and now) was that the Dawn Gateway Pipeline represents an important link between Michigan and the Dawn hub. As indicated by Union at the Natural Gas Market Review (EB-2010-0199), construction of the Dawn Gateway Pipeline would bring many benefits to all Ontario consumers, including Union's ratepayers. However, based on its own longstanding business relationships with the other Shippers (through purchasing natural gas for system sales customers and selling regulated services), Union indicated that it would accept the outcome of the negotiations with the other Shippers.

In any event, Union could not have forced the sale of the St. Clair Line to Dawn Gateway either on its own or through Spectra Energy. As indicated above, decisions in respect of Dawn Gateway must be unanimous and both of the partners were unwilling to proceed with construction of a pipeline that did not have the support of its Shippers.

6. MARKET CONDITIONS SINCE AGREEING TO POSTPONE CONSTRUCTION OF THE DAWN GATEWAY PIPELINE

Since agreement was reached with Shippers to defer the construction of the Dawn Gateway Pipeline, Dawn Gateway continued to monitor the market conditions and consult with the Shippers to establish their interest in advancing the project for 2011 service. Discussions and negotiations continued with the Shippers as well as other potential shippers throughout 2010.

As set out above, under the Amended Precedent Agreements, the Shippers were to provide notice if they wanted transportation service in 2011. The Shippers did not provide notice for service to Dawn Gateway and subsequently have paid Dawn Gateway the third party project costs as agreed to in the Amended Precedent Agreements.

In addition to negotiating with existing Shippers, Dawn Gateway conducted a binding open season to solicit additional market interest in service on the Dawn Gateway Pipeline. The open season was conducted between November 15 and December 7, 2010 and offered the uncommitted 80,000 Dth/d for a term of 7 years (280,000 Dth/d of the 360,000Dth/day has already been committed to by the existing Shippers). The open season did not result in enough market support combined with existing Shipper requests to proceed.

The North American natural gas supply market continues to remain volatile with Shippers remaining reluctant to commit to firm long term contracts. This market uncertainty is reflected in the increasing difference between the short-term and long-term spreads (see Appendix C 'Pricing History'). Prior to April 2010 the longer term and shorter term spreads traded at similar values. Since April 2010 the longer term spreads started to trade at a discount to shorter term spreads, most recently at a 20% to 25% discount. Some market participants, including the Shippers are reluctant to enter into long term contracts that are not supported by long-term spreads past 3 or 4 years as they are subject to mark-to-market accounting rules. These mark-to-market rules would require shippers to take a loss or negative financial position on their financial statements.

Based on the limited market interest in the 2010 binding open season and the Shippers' decision not to proceed, Dawn Gateway did not secure enough market support to proceed with the project in 2011. The decision to proceed has now been postponed until November 2011. Dawn Gateway will continue to market transportation services to potential shippers through direct negotiations as well as potentially offering transportation services in another open season later in 2011. In addition, Dawn Gateway will continue discussions with Shippers up to November 2011 by which time the Shippers must elect whether to proceed with the Dawn Gateway Pipeline or not. Thereafter, the Amended Precedent Agreements expire on their terms with neither side incurring any further obligations.

7. CONCLUSION

Union is asking for an order of the Board deferring the disposition of the deferral accounts until such time that the sale of St. Clair Line has either been closed or cancelled.

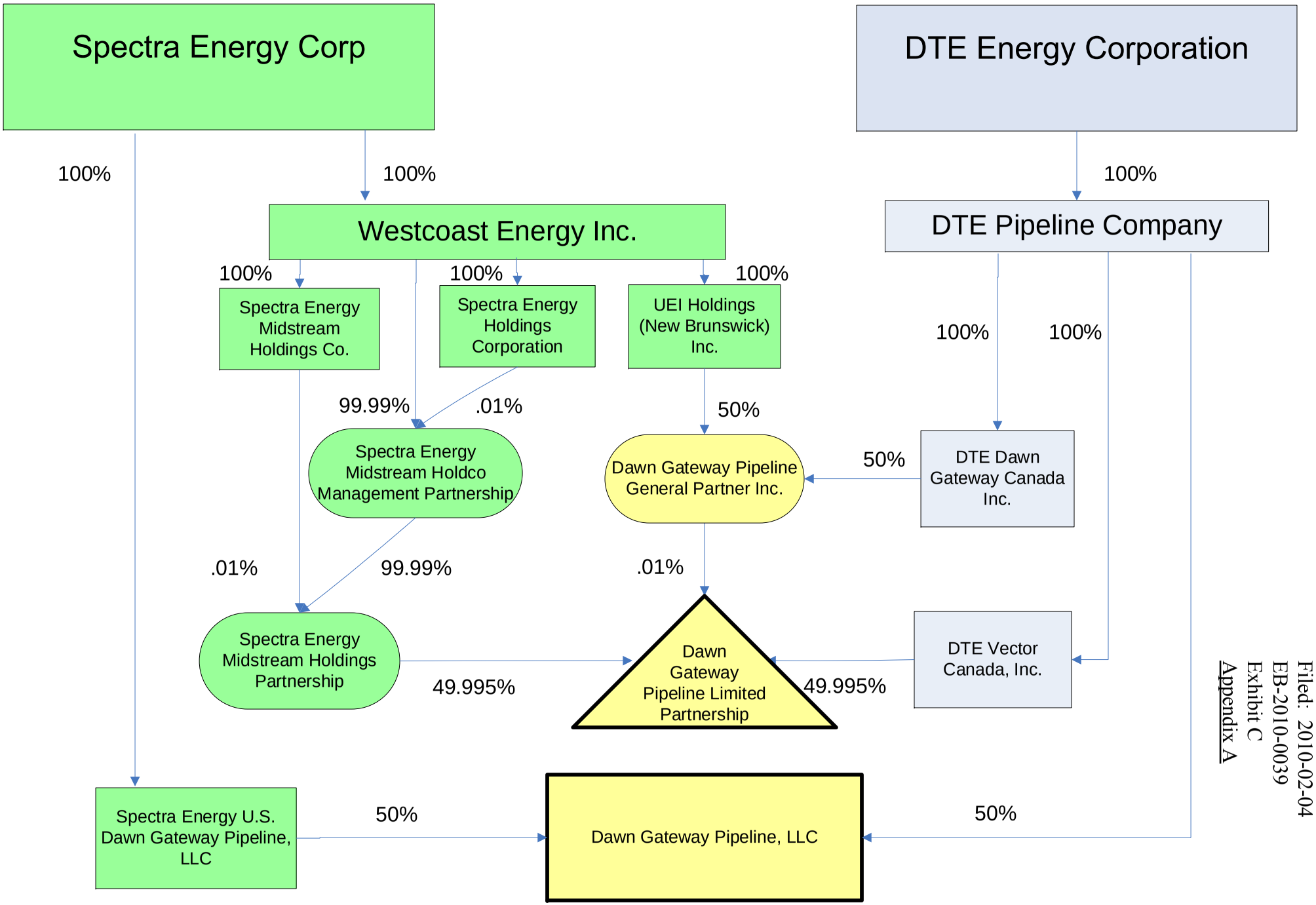
As indicated above, under the Amended Precedent Agreements, Shippers have until November 2011 to make a decision whether or not they will support construction of the Dawn Gateway Pipeline for November 2012 in-service. The Board's decision in EB-2008-0411, granting leave to sell the St. Clair Line, contemplates that the sale may not take place prior to December 31, 2013. Union is therefore proposing to maintain the balance in Account 179-121 and to continue to track in Account 179-122 the amounts in rates related to the St. Clair Line until such time as the sale takes place or is cancelled.

In Union's view, the disposition of the deferral accounts should occur upon the sale of the St. Clair Line, and not earlier. The conditions in the Purchase and Sale Agreement in favour of Dawn Gateway have not been waived and no sale has taken place. Further, Union on its own, or through Spectra Energy, is not able to force Dawn Gateway to proceed with the sale of the St. Clair Line or the construction of the Dawn Gateway Pipeline.

In the event the Dawn Gateway project does not proceed and the St. Clair Line is not sold, Union will file a motion with the Board requesting orders to close the deferral accounts and return the St. Clair Line to rate base.

In Union's view, it would be inappropriate to dispose of the deferral accounts prior to any sale of the St. Clair Line as the purpose of the deferral accounts is to address both perceived prospective ratepayer harm as a result of the sale and the removal of the asset from rates resulting from a sale of the asset. There has been no sale, there is no deemed net gain on a sale and there has been no prospective harm to ratepayers.

OWNERSHIP STRUCTURE OF DAWN GATEWAY PIPELINE
(CANADA and US)



Filed: 2010-02-04
EB-2010-0039
Exhibit C
Appendix A

SHAREHOLDERS AGREEMENT

OF

DAWN GATEWAY PIPELINE GENERAL PARTNER INC.

A Corporation under the *Canada Business Corporations Act*

SHAREHOLDERS AGREEMENT
OF
DAWN GATEWAY PIPELINE GENERAL PARTNER INC.
A Corporation under the *Canada Business Corporations Act*

This SHAREHOLDERS AGREEMENT (the "***Shareholders Agreement***") of Dawn Gateway Pipeline General Partner Inc. (the "***Corporation***") is made and entered into as of May 1, 2009 by and among the Initial Shareholders (defined below).

PREAMBLE

For and in consideration of the mutual covenants and agreements contained in this Shareholders Agreement and for other good and valuable consideration, the full receipt and sufficiency of which is expressly acknowledged by the parties, the parties agree as follows:

ARTICLE I

DEFINITIONS AND CONSTRUCTION

1.1 Definitions. As used in this Shareholders Agreement, the following capitalized terms have the following meanings when capitalized in this Shareholders Agreement:

"***Act***" means the *Canada Business Corporations Act* (Canada), and any successor statute, as amended from time to time.

"***Action***" means any action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative.

"***ADR Institute***" has the meaning set forth in Section 13.5(a).

"***ADR Rules***" has the meaning set forth in Section 13.5(a).

"***Adverse Act***" means, with respect to any Shareholder, any of the following:

(a) A failure of such Shareholder's Canadian Affiliate to make any Capital Contribution as required pursuant to any provision of the Partnership Agreement;

(b) In the event such Shareholder commits a breach of any material covenant contained in this Shareholders Agreement or defaults on any material obligation provided for in this Shareholders Agreement and such breach or default continues beyond the notice and right to cure period set forth in Section 13.1; *provided, however*, that if within thirty (30) days after written notice of such breach or default has been given to such Shareholder, such Shareholder delivers a Contest Notice to the Corporation and each other Shareholder that it contests such notice of breach or default, then such breach or default will not constitute an Adverse Act unless and until (and assuming that such breach or default has not theretofore been cured in full and that any applicable grace

period has expired) there is a Final Determination that such Shareholder's actions or failures to act constituted such a breach or default;

(c) A Disposition or Encumbrance of all or any portion of such Shareholder's Shareholder Interest except as expressly permitted or required by this Shareholders Agreement;

(d) A breach of any material covenant of the Company Agreement or the Partnership Agreement, respectively, other than a Capital Contribution Failure, by any of such Shareholder's applicable Canadian Affiliates or U.S. Affiliates, where such breach continues beyond the applicable cure period, if any, as set forth in the Company Agreement or Partnership Agreement, as applicable, or the commission of an "Adverse Act" under and as defined in the Company Agreement or Partnership Agreement, as applicable, other than a Capital Contribution Failure.

(e) Any dissolution or liquidation of such Shareholder or the taking of any action by its directors, majority stockholder, or Parent looking to the dissolution or liquidation of such Shareholder, unless substantially all assets of such Shareholder are transferred or are to be transferred to a Wholly-Owned Affiliate of such Shareholder; or

(f) The Bankruptcy of such Shareholder.

"***Adverse Manager***" means any Manager whose Appointing Shareholder is an Adverse Shareholder. An Adverse Manager shall cease to be "Adverse" in the event and at such time as his Appointing Shareholder ceases to be an Adverse Shareholder.

"***Adverse Shareholder***" means any Shareholder with respect to whom an Adverse Act has occurred and is continuing.

"***Affiliate***" means, with respect to any Person, (a) each Person that such Person Controls; (b) each Person that Controls such Person, including, in the case of a Shareholder, such Shareholder's Parent; and (c) each Person that is under common Control with such Person, including, in the case of a Shareholder, each Person that is Controlled by such Shareholder's Parent; *provided, however*, that no Shareholder shall be considered an Affiliate of the Corporation and vice versa.

"***Appointing Shareholder***" has the meaning set forth in Section 8.4(b).

"***Arbitration Notice***" has the meaning set forth in Section 13.5(a).

"***Bankruptcy***" means, with respect to any Person:

(a) an inability generally to pay its debts as such debts become due;

(b) an admission in writing that it is unable to pay its debts generally;

(c) the making of a general assignment for the benefit of creditors;

(d) the filing of any petition or answer seeking to adjudicate itself as bankrupt or insolvent, or seeking for itself any liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of such Person or its debts under any Law relating to bankruptcy, insolvency or, reorganization or relief of debtors;

(e) seeking, consenting to, or acquiescing in the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for such Person or for any substantial part of its property;

(f) the taking of any action to authorize any of the actions set forth above;

(g) the entering of an order for relief or approving a petition for relief or reorganization or any other petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or other similar relief, without the consent or acquiescence of such Person, under any present or future bankruptcy, insolvency or similar Law, or the filing of any such petition against such Person which petition is not dismissed within ninety (90) days; or

(h) the entering of an order, without the consent or acquiescence of such Person, appointing a trustee, custodian, receiver or liquidator of such Person or of all or any substantial part of the property of such Person which order is not dismissed within ninety (90) days.

"***Base Interest Rate***" means a rate per annum equal to the lesser of:

(a) two percent (2%) plus the Prime Rate, compounded monthly; or

(b) the maximum rate permitted by applicable Law.

"***Board of Managers***" has the meaning set forth in Section 8.3(a).

"***Bona Fide Offer***" means an offer presented to a Shareholder and its Canadian Affiliate or the liquidator in writing containing sufficiently detailed terms and conditions that, if the offer is accepted by that Shareholder and its Canadian Affiliate, or the liquidator, the respective parties will be able to consummate the transaction described in such offer, subject to its terms and conditions, without any additional terms or negotiations.

"***Budget***" means a budget for anticipated operating expenses and capital expenditures for the Partnership as approved by the Board of Managers.

"***Business Day***" means any day other than Saturday, Sunday or any holiday on which national banks in the Province of Ontario are authorized to close.

"***Buy-Sell Price***" has the meaning set forth in Section 5.2(a)(i).

"***Canadian Affiliate***" means, with respect to any Shareholder, the Wholly-Owned Affiliate of such Shareholder that holds a limited partnership interest in the Partnership.

"***Canadian Affiliate Distribution Allocation***" has the meaning given to the term "Partnership Distribution Allocation" in the Partnership Agreement.

"***Canadian Affiliate Partnership Interest***" has the meaning given the term "Partnership Interest" in the Partnership Agreement.

"***Capital Account***" has the meaning given that term in the Partnership Agreement.

"***Capital Contribution***" means, with respect to any Shareholder, the amount of money and the Value of any property other than money (net of any liabilities assumed or taken subject to) contributed to the Partnership by such Shareholder's Canadian Affiliate with respect to the Canadian Affiliate Partnership Interests held or purchased by such Canadian Affiliate, including Initial Capital Contributions.

"***Capital Contribution Failure***" means an Adverse Act pursuant to subparagraph (a) of the definition of Adverse Act.

"***Change in Control Event***" means any of the following:

(a) the Disposition of a "controlling interest" in a Shareholder to a Person that is not a Wholly-Owned Affiliate of such Shareholder; *provided, however,* that "Change in Control Event" shall not include a Disposition of the capital stock or equity interests of the Parent of such Shareholder or any Person that Controls the Parent of such Shareholder. For purposes of this definition a "controlling interest" shall mean: (i) the possession, directly or indirectly or through one or more intermediaries, of more than fifty percent (50%) of the outstanding voting securities of or other ownership interests in a Shareholder; or (ii) the power to direct or cause the direction of the management policies of a Shareholder, whether through ownership of stock, as a general partner or trustee, by contract or otherwise;

(b) any reorganization, liquidation or consolidation of a Shareholder, or any merger or other business combination of a Shareholder with any other Person, other than any such merger or other business combination that would result in the voting securities of such Shareholder outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than fifty percent (50%) of the total voting power represented by the voting securities of the Shareholder or such surviving entity outstanding immediately after such transaction; *provided, however*, a transaction shall not constitute a Change in Control Event if its sole purpose is to change the province of the Shareholder's incorporation/formation; or

(c) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) by a Shareholder of all, or substantially all, of its assets to a Person that is not a Wholly-Owned Affiliate of such Shareholder.

"***Commencement Date***" means the date on which the Partnership commences commercial operation of the Pipeline System.

"***Commitment Voting Date*** has the meaning set forth in Section 3.14(b).

"***Company Agreement*** means the company agreement of Dawn Gateway Pipeline, LLC.

"***Complete Control***" means the possession, directly or indirectly, through one or more intermediaries, of both of the following:

(a) (i) in the case of a corporation, all of the outstanding voting securities thereof; (ii) in the case of a limited liability company, partnership, limited partnership or venture, the right to all of the distributions therefrom (including liquidating distributions); (iii) in the case of a trust or estate, including a business trust, all of the beneficial interest therein; and (iv) in the case of any other entity, all of the economic or beneficial interest therein; and

(b) in the case of any entity, the power and authority to completely control the management of the entity.

"***Confidential Information***" has the meaning set forth in Section 3.10(b).

"***Contest Notice***" means a written notice from a Shareholder to the other Shareholders providing that the Shareholder contests a written notice that it has committed a material breach or default under this Shareholders Agreement pursuant to subsection (b) of the definition of "*Adverse Act*".

"***Control***" means the possession, directly or indirectly, through one or more intermediaries, of either of the following:

(a) (i) in the case of a corporation, more than 50% of the outstanding voting securities thereof; (ii) in the case of a limited liability company, limited liability partnership, partnership, limited partnership or venture, the right to more than 50% of the distributions therefrom (including liquidating distributions); (iii) in the case of a trust or estate, including a business trust, more than 50% of the beneficial interest therein; and (iv) in the case of any other entity, more than 50% of the economic or beneficial interest therein; or

(b) in the case of any entity, the power or authority, through ownership of voting securities or other interests, by contract or otherwise, to exercise a controlling influence over the management of the entity.

"***Corporation***" has the meaning set forth in the introductory paragraph hereof.

"***Damages***" has the meaning set forth in Section 5.1(a)(ii).

"***Dawn Gateway Pipeline, LLC***" means Dawn Gateway Pipeline, LLC or its successors in interest.

"***Default Interest Rate***" means a rate per annum equal to the lesser of:

(a) the greater of: (i) five percent (5%) plus the Prime Rate, compounded monthly; or (ii) ten percent (10%), compounded monthly; or

(b) the maximum rate permitted by applicable Law.

"***Delegation Resolution***" has the meaning set forth in Exhibit 8.3(b).

"***Diluting Shareholder***" has the meaning set forth in Section 5.2(b).

"***Director***" means a director of the Corporation.

"***Dispose,***" "***Disposing,***" or "***Disposition***" means with respect to any asset (including a Shareholder Interest or any portion thereof), a sale, assignment, transfer, conveyance, gift, exchange or other disposition of such asset, whether such disposition be voluntary, involuntary or by operation of Law, including the following: (a) in the case of an asset owned by a natural person, a transfer of such asset upon the death of its owner, whether by will, intestate succession or otherwise; (b) in the case of an asset owned by an entity, (i) a merger or consolidation of such entity (other than where such entity is the survivor thereof), (ii) a conversion of such entity into another type of entity, or (iii) a distribution of such asset, including in connection with the dissolution, liquidation, winding-up or termination of such entity (unless, in the case of dissolution, such entity's business is continued without the commencement of liquidation or winding-up); and (c) a disposition in connection with, or in lieu of, a foreclosure of an Encumbrance; but such terms shall not include the creation of an Encumbrance.

"***Dispute***" has the meaning set forth in Section 13.2.

"***Dissolution Event***" has the meaning set forth in Section 12.1.

"***DTE Pipeline Company***" means DTE Pipeline Company or its successor in interest.

"***Effective Date***" means the date and year first written above.

"***Election Period***" has the meaning set forth in Section 5.2(a)(iv).

"***Encumber***", "***Encumbering***", or "***Encumbrance***" means the creation of a security interest, lien, pledge, mortgage or other encumbrance, whether such encumbrance be voluntary, involuntary or by operation of Law.

"***Equivalent U.S. Affiliate Voting Interest***" means, with respect to any Shareholder's Shareholder Interest, a U.S. Voting Interest of a Shareholder's U.S. Affiliate in Dawn Gateway Pipeline, LLC equal to that Shareholder's Shareholder Interest.

"***Final Determination***" means:

(a) a determination set forth in a binding settlement agreement between the Corporation and a Shareholder alleged to have committed an Adverse Act, which settlement agreement has been approved by the Board of Managers; or

(b) a final determination, not subject to further appeal, by arbitration in accordance with this Shareholders Agreement or by a court of competent jurisdiction.

"***Governmental Authority***" means a federal, provincial, state, local or foreign governmental authority, including Canada and the United States of America; a state, province, commonwealth, territory or district thereof; a county or parish; a city, town, township, village or other municipality; a district, ward or other subdivision of any of the foregoing; any executive, legislative or other governing body of any of the foregoing; any agency, authority, board, department, system, service, office, commission, committee, council or other administrative body of any of the foregoing, including the National Energy Board, the Federal Energy Regulatory Commission or the Michigan Public Service Commission; any court or other judicial body; and any officer, official or other representative of any of the foregoing.

"***Initial Capital Contributions***" has the meaning set forth in the Partnership Agreement.

"***Initial Shareholder***" means each of the Persons set forth on Exhibit 2.1 executing this Shareholders Agreement as of the Effective Date.

"***Law***" means any applicable constitutional provision, statute, act (including the Act), law, regulation, rule, ordinance, order, decree, ruling, proclamation, resolution, judgment, decision, declaration, or interpretative or advisory opinion or letter of a Governmental Authority having valid jurisdiction.

"***Lending Shareholder***" has the meaning set forth in Section 5.2(c).

"***Limited Partners***" has the meaning set forth in the Partnership Agreement.

"***Majority Approval***" means the approval by a Majority of Managers.

"***Majority of Managers***" means the Non-Adverse Managers that hold Shareholder Interests the sum of which exceed fifty percent (50%) of the total sum of the Shareholder Interests of all Shareholders who are Non-Adverse Shareholders;

"***Manager***" has the meaning set forth in Section 8.3(a).

"***MichCon***" means Michigan Consolidated Gas Corporation or its successors in interest.

"***Net Equity***" has the meaning set forth in the Partnership Agreement.

"***Non-Adverse Manager***" means any Shareholder that is not an Adverse Shareholder.

"***Non-Adverse Shareholder***" means any Shareholder that is not an Adverse Shareholder.

"***Notice Period***" has the meaning set forth in Section 3.7.

"***Parent***" means in the case of each of the Shareholders, the Persons identified on Exhibit 1.01A. Exhibit 1.01A shall be promptly updated upon any change to the identity of a Shareholder's Parent; *provided however* that the new Parent must have other assets or interests

such that the then fair market value of such Shareholder's Shareholder Interest does not exceed the then fair market value of the aggregate of all such other assets and interests of the new Parent.

"***Participating Shareholder***" has the meaning set forth in Section 4.1.

"***Partnership***" has the meaning set forth in the Limited Partnership Agreement of Dawn Gateway Pipeline Limited Partnership.

"Partnership Agreement" means the Limited Partnership Agreement of Dawn Gateway Pipeline Limited Partnership.

"***Per Capita Basis***" means, for a transaction described in Sections 3.6 or 3.7, with respect to Shareholder Interest, after the consummation of such transaction, the Shareholder Interest of each Shareholder participating in the transaction will be equal to a percentage, rounded to the nearest one-thousandth, obtained by multiplying 100 by a fraction:

(i) the numerator of which is equal to the sum of: (1) that Shareholder's Canadian Affiliate's Canadian Affiliate Distribution Allocation (expressed as a decimal, multiplied by 100); and (2) the U.S. Distribution Allocation (expressed as a decimal, multiplied by 100) of such Shareholder's U.S. Affiliate; and

(ii) the denominator of which is equal to the sum of: (1) the Canadian Affiliate Distribution Allocations of the Canadian Affiliates of all Shareholders entitled to participate in the applicable transaction (expressed as decimals, multiplied by 100); and (2) the U.S. Distribution Allocations (expressed as decimals, multiplied by 100) of the U.S. Affiliates of all the Shareholders participating in that transaction

provided however, that for the purposes of such transactions, Shareholders that are Affiliates of each other at such time shall be treated as constituting only one (1) Shareholder and may only participate in such transaction as if such Shareholders constitute one (1) Shareholder.

"***Person***" means a natural person, partnership (whether general or limited), limited liability company, limited liability partnership, trust, estate, association, corporation, custodian, nominee or any other individual or entity in its own or any representative capacity, or any Governmental Authority.

"***Pipeline System***" means the pipeline assets located in Canada as more specifically described in the Project Development Agreement.

"***PPSA***" means the *Personal Property Security Act* (Ontario), as amended from time to time.

"***Precedent Agreements***" means the Precedent Agreements entered into on behalf of the Corporation by each Shareholder's Affiliate with proposed customers of the Corporation for the transmission of natural gas through the Pipeline System.

"***Prime Rate***" means a floating rate per annum that is equal to the interest rate publicly quoted by *The Wall Street Journal* (in the box entitled "Money Rates") from time to time as the prime commercial or similar reference interest rate, with adjustments in that varying rate to be made on the same date as any published change in that rate. In the event *The Wall Street Journal* ceases to publish the prime rate, then the Prime Rate shall be obtained from a similar publication selected by the Board of Managers.

"***Project Developer***" means Westcoast Energy Inc. or any assignee of or successor to Westcoast Energy Inc.'s rights and obligations under the Project Development Agreement.

"***Project Development Agreement***" means that certain Project Development Agreement by and between the Corporation and Westcoast Energy Inc. relating to the development and construction of the Pipeline System and containing such terms as are agreed upon by the Managers, which agreement may be amended and modified from time to time.

"***Property***" means any assets owned or leased by the Corporation on behalf of the Partnership.

"***Purchase Notice***" has the meaning set forth in Section 5.2(a)(iv).

"***Purchasing Shareholder***" has the meaning set forth in Section 5.2(a)(iv).

"***Quarter***" means, unless the context requires otherwise, a fiscal quarter of the Partnership.

"***Reconstitution Period***" means the ninety (90) day period following a determination by a court of competent jurisdiction that the Corporation has dissolved absent the occurrence of a Dissolution Event.

"***Registrar***" means the Registrar appointed under the *Business Names Act* (Ontario).

"***Required Accounting Practices***" means generally accepted accounting principles as practiced in Canada at the time prevailing for companies engaged in a business similar to the Corporation or, if inconsistent therewith, the accounting rules and regulations, if any, at the time prescribed by the regulating body or bodies under the jurisdiction of which the Corporation is at the time operating.

"***Required Interest***" means consent by Majority Approval except for those items set forth in Exhibits 8.3(b) and 8.3(c) where "Required Interest" shall mean Super Majority Approval or Unanimous Approval, as applicable.

"***Sale Notice***" means a notice by a Shareholder of its intention to Dispose of all or a specified part of its Shareholder Interest and the analogous portion of its Canadian Affiliate Partnership Interest, which Sale Notice must identify the name of the prospective purchaser and

the terms and conditions of the Bona Fide Offer and must offer to Dispose of such Shareholder's Shareholder Interest and the analogous portion of its Canadian Affiliate Partnership Interest to the other Shareholders (on a Per Capita Basis) on the terms and conditions of the Bona Fide Offer.

"***Shareholder***" means any Initial Shareholder or any other Person later admitted to the Corporation as a shareholder in accordance with this Shareholders Agreement, until that Person's rights are terminated as provided in this Shareholders Agreement.

"***Shareholder Interest***" means the ownership interest of a Shareholder in the Corporation as described in this Shareholders Agreement, including (a) that Shareholder's status as a Shareholder; (b) all rights, benefits, and privileges enjoyed by that Shareholder (under the Act, this Shareholders Agreement, or otherwise) in its capacity as a Shareholder; and (c) all obligations, duties, and liabilities imposed on that Shareholder (under the Act, this Shareholders Agreement, or otherwise) in its capacity as a Shareholder.

"***Shareholders Agreement***" has the meaning set forth in the introductory paragraph hereof.

"***Sole Discretion***" means with respect to any Person, that Person's sole and absolute discretion, with or without cause, and subject to such conditions as it shall deem appropriate.

"***Super Majority Approval***" means the approval by one or more Non-Adverse Managers whose Non-Adverse Shareholders hold Shareholder Interests the sum of which exceed sixty percent (60%) of the total sum of the Shareholder Interests of all Shareholders who are Non-Adverse Shareholders.

"***System Expansion***" means any facilities to be installed or action to be taken after the Commencement Date costing in excess of one million U.S. dollars (U.S. $1,000,000) to modify, extend, expand or increase the capacity of the Pipeline System (except those undertaken as part of customary maintenance or to comply with applicable environmental or safety requirements).

"***System Expansion Commencement Date***" means the date on which the Corporation commences commercial operation of the System Expansion.

"***Tax Act***" means the *Income Tax Act* (Canada), as amended from time to time, and any successor statutes.

"***Unanimous Approval***" means, except as expressly set forth in Exhibit 8.3(c), the approval of all of the Non-Adverse Managers.

"***Union Gas Limited***" means Union Gas Limited or its successors in interest.

"***U.S. Affiliates***" means, with respect to any Shareholder, the Wholly-Owned Affiliate of such Shareholder that holds an ownership interest in Dawn Gateway Pipeline, LLC.

"***U.S. Capital Account***" has the meaning given to the term "Capital Account" in the Company Agreement.

"***U.S. Distribution Allocation***" has the meaning given the term "Distribution Allocation" in the Company Agreement.

"***U.S. Ownership Interest***" has the meaning given the term "Membership Interest" in the Company Agreement.

"***U.S. Voting Interest***" has the meaning given the term "Voting Interest" in the Company Agreement.

"***Value***" means an amount equal to the fair market value of property as determined by the Board of Managers.

"***Westcoast Energy Inc.***" means Westcoast Energy Inc. or its successors in interest.

"***Wholly-Owned Affiliate***" with respect to any Person, (a) each entity that such Person Completely Controls; (b) each Person that Completely Controls such Person, including, in the case of a Shareholder, such Shareholder's Parent; and (c) each entity that is under common Complete Control with such Person, including, in the case of a Shareholder, each entity that is Completely Controlled by such Shareholder's Parent.

"***Withdraw***", "***Withdrawing***" *or* "***Withdrawal***" means the withdrawal, resignation, or retirement of a Shareholder from the Corporation as a shareholder.

1.2 **Other Definitions**. Other capitalized terms defined in other sections of this Shareholders Agreement have the meanings given them in such sections throughout this Shareholders Agreement.

1.3 **Construction**. Unless the context requires otherwise: (a) the gender (or lack of gender) of all words used in this Shareholders Agreement includes the masculine and feminine; (b) references to Articles and Sections refer to Articles and Sections of this Shareholders Agreement unless expressly provided otherwise; (c) references to Schedules and Exhibits, if any, refer to the Schedules and Exhibits attached to this Shareholders Agreement, each of which is made a part hereof for all purposes; (d) references to Laws refer to such Laws as they may be amended from time to time, and references to particular provisions of a Law include any corresponding provisions of any succeeding Law; (e) references to money refer to legal currency of the United States of America; (f) the singular form of nouns, pronouns and verbs shall include the plural and vice versa; (g) "shall" and "will" have equal force and effect; (h) the words "include," "including," or "includes" shall be read to be followed by the words "without limitation" or words having similar import; and (i) the word "or" will have the inclusive meaning represented by the phrase "and/or".

ARTICLE II

ORGANIZATION

2.1 **Shareholder Covenant**. Each of the Shareholders covenants and agrees that it shall vote or cause to be voted the voting shares beneficially owned by it to accomplish and

give effect to the terms and conditions of this Shareholders Agreement. In the event of any conflict between the provisions of this Shareholders Agreement and the articles or the by-laws of the Corporation, the provisions of this Shareholders Agreement shall govern to the extent of the conflict. Each of the Shareholders agrees to vote or cause to be voted the shares of the Corporation beneficially owned by it so as to cause the articles or the by-laws of the Corporation to be amended to resolve any such conflict in favour of the provisions of this Shareholders Agreement.

2.2 **Notice by Corporation**. The Corporation by its execution hereof acknowledges that it has actual notice of the terms of this Shareholders Agreement, consents hereto and hereby covenants with each of the Shareholders that the Corporation will at all times during the term of this Shareholders Agreement be governed by the terms and provisions hereof in carrying out its business and affairs and, accordingly, shall give or cause to be given such notices, execute or cause to be executed such documents and do or cause to be done all such acts, matters and things as may from time to time be necessary or required to carry out the terms and intent hereof.

2.3 **Ratification of Prior Acts**. The Corporation acknowledges that, by unanimous resolution of the Shareholders of even date herewith, the Shareholders ratify, adopt and approve those acts and decisions of the Corporation and its officers, Directors, Managers and Shareholders, in those respective capacities, which acts and decisions have been taken prior to the Effective Date, provided that such officers, Directors, Managers and Shareholders have acted in good faith and in the best interests of the Corporation, but excluding any acts or omissions of such Persons amounting to negligence or wilful misconduct.

2.4 **Registered Office, Registered Agent; Principal Office in Canada; Other Offices**. The registered office of the Corporation will be the office of the initial registered agent named in the articles of the Corporation or such other office (which need not be a place of business of the Corporation) as the Board of Managers may designate from time to time in the manner provided by Law. The principal office of the Corporation will be at such place as the Board of Managers may designate from time to time, which need not be in the Province of Ontario, and the Corporation must maintain records there. The Corporation may have other offices as the Board of Managers may designate from time to time.

2.5 **Foreign Qualification**. Prior to the Corporation's conducting business in any jurisdiction other than Ontario, the Board of Managers will cause the Corporation to comply, to the extent procedures are available and those matters are reasonably within the control of the Board of Managers, with all requirements necessary to qualify the Corporation as a limited partnership or its closest equivalent in that jurisdiction. At the request of the Board of Managers, each Shareholder must execute, acknowledge, swear to, and deliver all certificates and other instruments conforming with this Shareholders Agreement that are necessary or appropriate to qualify, continue, or terminate the Corporation in all such jurisdictions in which the Corporation may conduct business.

2.6 **Term**. The Corporation will continue in existence until the winding up and liquidation of the Corporation and its business is completed following a Dissolution Event.

2.7 **Business of the Corporation**. The business of the Corporation is limited to acting as general partner of the Partnership and carrying out all duties related thereto as provided under the Partnership Agreement and this Shareholders Agreement.

ARTICLE III

MEMBERSHIP; DISPOSITIONS OF INTERESTS

3.1 **Shareholder Interests**. The initial Shareholder Interest for each Initial Shareholder is set forth on Exhibit 3.1. Except as expressly provided otherwise in this Shareholders Agreement, each Shareholder is entitled to the number of votes equal to that Shareholder's Shareholder Interest as of the date of the vote, expressed as a decimal, times 100.

3.2 **Representations and Warranties**. As of the Effective Date, each Shareholder makes the following representations and warranties, which representations and warranties survive the execution and adoption of this Shareholders Agreement:

(a) Organization, Standing, Power and Authorization. Such Shareholder is a corporation duly organized or a partnership, limited liability company or other entity duly formed, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation and has the corporate, partnership or company power and authority to own its property and carry on its business as owned and carried on as of the Effective Date and as contemplated by this Shareholders Agreement. Such Shareholder is duly licensed or qualified to do business and is in good standing in each of the jurisdictions in which the failure to be so licensed or qualified would have a material adverse effect on its financial condition or its ability to perform its obligations under this Shareholders Agreement. Such Shareholder has the corporate, partnership or company power and authority to execute and deliver this Shareholders Agreement and to perform its obligations under this Shareholders Agreement, and the execution, delivery and performance of this Shareholders Agreement has been duly authorized by all necessary corporate, partnership or company action. This Shareholders Agreement constitutes the legal, valid and binding obligation of such Shareholder.

(b) No Conflicts. Neither the execution, delivery nor performance of this Shareholders Agreement nor the consummation by such Shareholder of the transactions contemplated by this Shareholders Agreement will:

(i) conflict with, violate or result in a breach of any of the terms, conditions or provisions of any Law, order, writ, injunction, decree, determination or award of any court, governmental department, board, agency or instrumentality, domestic or foreign, or any arbitrator, applicable to such Shareholder;

(ii) conflict with, violate, result in a breach of, or constitute a default under any of the terms, conditions or provisions of the articles of incorporation, bylaws, partnership agreement, company agreement or similar organization or governing agreements or instrument of such Shareholder, its Parent or any Wholly-Owned Affiliate or of any material agreement or instrument to which such Shareholder, its Parent or any

Wholly-Owned Affiliate is a party or by which such Shareholder, its Parent or any Wholly-Owned Affiliate is or may be bound or to which any of their material properties or assets is subject;

(iii) conflict with, violate, result in a breach of, constitute a default under (whether with notice or lapse of time or both), accelerate or permit the acceleration of the performance required by, give to others any material interests or rights, or require any consent, authorization or approval under any indenture, mortgage, lease agreement or instrument to which such Shareholder, its Parent or any Wholly-Owned Affiliate is a party or by which such Shareholder, its Parent or any Wholly-Owned Affiliate is or may be bound; or

(iv) result in the creation or imposition of any lien upon any of the material properties or assets of such Shareholder, its Parent or any Wholly-Owned Affiliate.

(c) Consents. Any registration, declaration or filing with, or consent, approval, license, permit or other authorization or order by, any governmental or regulatory authority, domestic or foreign, that is required in connection with the valid execution, delivery, acceptance and performance by such Shareholder under this Shareholders Agreement or the consummation by such Shareholder of any transaction contemplated by this Shareholders Agreement has been completed, made or obtained on or before the Effective Date.

(d) Pending Proceedings. There are no actions, suits, proceedings or investigations pending or, to the knowledge of such Shareholder, threatened against or affecting such Shareholder, its Parent or any Wholly-Owned Affiliate or any of their properties, assets or businesses in any court or before or by any governmental department, board, agency or instrumentality, domestic or foreign, or any arbitrator which could, if adversely determined (or, in the case of an investigation, could lead to any action, suit or proceeding, which if adversely determined) could reasonably be expected to materially impair such Shareholder's ability to perform its obligations under this Shareholders Agreement or to have a material adverse effect on the consolidated financial condition of such Shareholder; and such Shareholder, its Parent or any Wholly-Owned Affiliate has not received any currently effective notice of any violation of, nor is such Shareholder, its Parent or any Wholly-Owned Affiliate in violation of, any applicable order, writ, injunction, decree, permit, determination or award of any court, governmental department, board, agency, or instrumentality, domestic or foreign, or any arbitrator which could reasonably be expected to materially impair such Shareholder's ability to perform its obligations under this Shareholders Agreement or to have a material adverse effect on the consolidated financial condition of such Shareholder.

(e) Investment Intent. Such Shareholder is acquiring its Shareholder Interest based upon its own investigation, and the exercise by such Shareholder of its rights and the performance of its obligations under this Shareholders Agreement will be based upon its own investigation, analysis and expertise. Such Shareholder is the sole party in interest as to its participation in the Corporation and such Shareholder's acquisition of its Shareholder Interest is being made for its own account for investment and, in particular, such Shareholder has no present agreement, understanding or arrangement to (A) subdivide its Shareholder Interest, (B) hold its Shareholder Interest in trust for any other Person or (C) Dispose or Encumber of any

portion thereof to any other Person. Such Shareholder is a sophisticated investor possessing an expertise in analyzing the benefits and risks associated with acquiring investments that are similar to the acquisition of its Shareholder Interest. Prior to the acquisition of its Shareholder Interest, such Shareholder and its representatives, if any, have had the opportunity to obtain ample information concerning the Corporation and its proposed activities.

(f) Tax Status. Such Shareholder is not, and shall not become, a "non-resident" of Canada, or, if a partnership, is and shall continue to be a "Canadian partnership", in each case, for the purposes of the Tax Act and shall not take any action that will result in the partnership ceasing to be a "Canadian partnership" for the purposes of the Tax Act; and is not itself a tax shelter or a tax shelter investment, and interests in itself are not tax shelter investments, for the purposes of the Tax Act. Such Shareholder is not a "financial institution" within the meaning of the Tax Act.

3.3 Restrictions on the Disposition of Shareholder Interests.

(a) A Shareholder may not Dispose of or Encumber all or any portion of its Shareholder Interest except in strict accordance with this Section 3.3. References in this Section 3.3 to Dispositions or Encumbrances of a "Shareholder Interest" shall also refer to Dispositions or Encumbrances of a portion of a Shareholder Interest. Any attempted Disposition or Encumbrance of a Shareholder Interest, other than in strict accordance with this Section 3.3, shall be, and is hereby declared, null and void *ab initio*. The rights and obligations constituting a Shareholder Interest may not be separated, divided or split from the other attributes of a Shareholder Interest except as contemplated by the express provisions of this Agreement. The Shareholders agree that a breach of the provisions of this Section 3.3 may cause irreparable injury to the Corporation and to the other Shareholders for which monetary damages (or other remedy at law) are inadequate in view of (i) the complexities and uncertainties in measuring the actual damages that would be sustained by reason of the failure of a Shareholder to comply with such provision and (ii) the uniqueness of the Corporation business and the relationship among the Shareholders. Accordingly, the Shareholders agree that the provisions of this Section 3.3 may be enforced by specific performance.

(b) Except as specifically provided in this Section 3.3(b) or Sections 3.6, 3.7 or 3.16, a Disposition of all or part of a Shareholder Interest may not be effected without the prior written approval of the Board of Managers. For purposes of this Section 3.3, a Change in Control Event concerning a Shareholder is considered to be a Disposition by such Shareholder of its Shareholder Interest. Notwithstanding the provisions of this Section 3.3(b), the Shareholder Interest of any Shareholder may be Disposed of without the prior written approval of the Board of Managers if such Disposition either (i) includes all or part of such Shareholder's Shareholder Interest and such Disposition is made to one or more Affiliates of such Shareholder or (ii) includes such Shareholder's entire Shareholder Interest and its Canadian Affiliate Partnership Interest and such Disposition is made pursuant to a Disposition that includes other assets or interests of such Shareholder or its Affiliates where the then fair market value of such Shareholder's Shareholder Interest does not exceed more than fifty percent (50%) of the fair market value of the aggregate of all such assets and interests being Disposed of at such time by such Shareholder and its Affiliates. A Shareholder may request, but does not have an obligation to request, that the Board of Managers provide written acknowledgment of a Disposition made

pursuant to the preceding sentence which such acknowledgment shall not be unreasonably withheld, conditioned or delayed.

(c) Notwithstanding anything to the contrary in this Shareholders Agreement, no Shareholder has the right to Dispose of all or any part of a Shareholder Interest, nor does any Person have the right to request admission to the Corporation as a Shareholder in connection with such Disposition, unless the following events occur:

(i) Either-

(A) the portion of the Shareholder Interest subject to the Disposition or admission must be qualified for distribution pursuant to a prospectus a final receipt for which has been issued under applicable securities Laws; or

(B) the Corporation must receive a favorable opinion by the Corporation's legal counsel or by other legal counsel acceptable to the Corporation to the effect that the Disposition or admission is exempt from the registration and prospectus requirements under those laws;

(ii) There occurs a simultaneous Disposition by such Shareholder's Canadian Affiliate and U.S. Affiliate to the same Person, or one or more Wholly-Owned Affiliates of such Person, of the analogous portion such Shareholder's Canadian Affiliate's Canadian Affiliate Partnership Interest, and such Shareholder's U.S. Affiliate's U.S. Ownership Interest in accordance with Section 3.16 below; and

(iii) The requirements set forth in Sections 3.6 and 3.7 have been satisfied.

(d) The Shareholder effecting a Disposition of all or any part of a Shareholder Interest, and any Person admitted as a Shareholder in connection with the Disposition, must pay or reimburse the Corporation for all costs incurred by the Corporation in connection with the Disposition or admission (including the legal fees incurred in connection with the legal opinions referred to in Sections 3.3(c)(i)(B) or 3.3(c)(ii)) on or before the thirtieth (30th) day after the receipt by the Shareholder or that Person of the Corporation's invoice for the amount due. If payment is not made by the due date, the Person owing that amount must pay interest on the unpaid amount from the due date until paid, at a rate per annum equal to the Default Interest Rate.

(e) A Shareholder may not Encumber its Shareholder Interest, except by complying with the following:

(i) such Shareholder must receive Unanimous Approval; and

(ii) the instrument creating such Encumbrance must provide that any foreclosure of such Encumbrance (or Disposition in lieu of such foreclosure) must comply with the requirements of Sections 3.3, 3.6, 3.7, 3.8 and 3.9.

3.4 Additional Shareholders. Additional Persons may be admitted as Shareholders, and Shareholder Interests may be created and issued to those Persons and to

existing Shareholders with the approval of the Board of Managers, on such terms and conditions and with such Shareholder Interest as the Board of Managers may determine at the time of admission. The terms and conditions of admission or issuance must specify the Shareholder Interest applicable to the admission and may provide for the creation of different classes or groups of shares of the Corporation having different rights, powers and duties. If applicable, the Shareholders must reflect the creation of any new class or group of shares in an amendment to this Shareholders Agreement and the articles of the Corporation indicating the different rights, powers and duties. Any such admission is effective only after the new Shareholder has executed and delivered to the Corporation a document including the new Shareholder's notice address, its agreement to be bound by this Shareholders Agreement, and its representation and warranty that the representations and warranties in Section 3.2 are true and correct with respect to the new Shareholder. The provisions of this Section 3.4 do not apply to Dispositions of Shareholder Interests or the admission of new Persons in substitution of any existing Shareholder.

3.5 Interests in a Shareholder. A Shareholder shall not allow a Disposition concerning itself, without the consent of the Shareholders, if as a result of that Disposition, the Shareholder ceases to be a Wholly Owned Affiliate of its Parent.

3.6 Right of First Offer.

(a) Except for Dispositions of Shareholder Interests permitted without the prior written approval of the Board of Managers pursuant to Section 3.3(b), if at any time a Shareholder (a "***ROFO Selling Shareholder***") desires to Dispose of all or any part of its Shareholder Interest to a Person, then the ROFO Selling Shareholder, as a condition precedent to its right to Dispose of all or any part of its Shareholder Interest, must first offer each other Shareholder the opportunity to extend an offer for the acquisition of the applicable portion of the ROFO Selling Shareholder's Shareholder Interest prior to any solicitation to or discussion with any such Person in accordance with this section. The ROFO Selling Shareholder must notify the other Shareholders (each such other Shareholder, a "***ROFO Offeree Shareholder***") in writing of its desire to sell all or a part of its Shareholder Interest and, if it desires to sell less than all, the portion of its Shareholder Interest that it desires to sell. Each ROFO Offeree Shareholder will have the right during the ten (10) Business Days following receipt of such notice to submit a Bona Fide Offer to the ROFO Selling Shareholder for the purchase of the applicable portion of the ROFO Selling Shareholder's Interest provided that such Bona Fide Offer must provide that the purchase price for such Shareholder Interest will be entirely paid in cash. Any ROFO Offeree Shareholder that exercises its right to submit a Bona Fide Offer to the ROFO Selling Shareholder for the purchase the ROFO Selling Shareholder's Shareholder Interest must receive any internal or other organizational approvals necessary to consummate such purchase right within sixty (60) days following such ROFO Offeree Shareholder's submission and must notify the ROFR Selling Shareholder and the other ROFR Offeree Shareholder s in writing promptly after receiving such approvals. Within five (5) Business Days of receipt of any Bona Fide Offers ("***ROFO Consideration Period***"), the ROFO Selling Shareholder may, in its Sole Discretion, accept in writing any such offers. If the ROFO Selling Shareholder fails to accept a Bona Fide Offer in writing during the ROFO Consideration Period, then the ROFO Selling Shareholder will be deemed to have rejected that Bona Fide Offer.

(b) If the ROFO Selling Shareholder accepts more than one Bona Fide Offer under this Section 3.6, then the ROFO Offeree Shareholders that submitted the accepted Bona Fide Offers will participate in the transaction on a Per Capita Basis. If the ROFO Selling Shareholder accepts one or more Bona Fide Offers, the ROFO Selling Shareholder must deliver a Sale Notice to all other Shareholders in writing of all the terms and conditions of the accepted Bona Fide Offers. Within thirty (30) days following receipt of such notice, each other Shareholder may elect to purchase a portion of the ROFO Selling Shareholder's Shareholder Interest being Disposed under the Bona Fide Offer, up to that Shareholder's Per Capita Basis, on the same terms and conditions as the Bona Fide Offer. If a Shareholder elects to exercise its right under this subsection, it must give notice in writing within such thirty (30) day period to the ROFO Selling Shareholder and each ROFO Offeree Shareholder that submitted an accepted Bona Fide Offer.

(c) If no ROFO Offeree Shareholder exercises its right to submit a Bona Fide Offer to the ROFO Selling Shareholder in accordance with Section 3.6(a) or if the ROFO Selling Shareholder has rejected or is deemed to have rejected the Bona Fide Offer in accordance with Section 3.6(a), the ROFO Selling Shareholder may commence discussions with and solicit offers from other Persons who are not Shareholders for the Disposition of its Shareholder Interest.

(d) If more than six (6) months have passed since a Shareholder last notified the other Shareholders in writing of its desire to sell all or a part of its Shareholder Interest in accordance with Section 3.6(a), then such Shareholder shall be required to once again comply with the requirements of Sections 3.6(a), 3.6(b) and 3.6(c) before commencing discussions with or soliciting offers from other Persons who are not Shareholders for the Disposition of its Shareholder Interest.

3.7 Right of First Refusal.

(a) Except for Dispositions of Shareholder Interests permitted without the prior written approval of the Board of Managers pursuant to Section 3.3(b), if a Shareholder has satisfied the obligations of Section 3.6 and desires to Dispose of all or any part of its Shareholder Interest to a Person (a "***ROFR Selling Shareholder***"), then the ROFR Selling Shareholder must first obtain a Bona Fide Offer from the prospective purchaser, and as a condition precedent to its right to Dispose of all or any part of its Shareholder Interest to such Person, the ROFR Selling Shareholder must deliver a Sale Notice to the other Shareholders (each such other Shareholder, a "***ROFR Offeree Shareholder***"). Each ROFR Offeree Shareholder will have the right during the thirty (30) days following receipt of the Sale Notice (the "***Notice Period***") to elect to purchase on the terms set forth in the Sale Notice the portion of or interest in the Shareholder Interest covered by the Sale Notice, subject to such ROR Offeree Shareholder receiving the necessary approvals to consummate the purchase as described in Section 3.7(c) below.

(b) If any ROFR Offeree Shareholder decides to exercise its right to purchase the Shareholder Interest covered by the Sale Notice, such ROFR Offeree Shareholder must give notice in writing within the Notice Period to the ROFR Selling Shareholder and to the other ROFR Offeree Shareholders of its election to exercise its right to purchase such Shareholder Interest. If more than one ROFR Offeree Shareholder elects to purchase such Shareholder Interest, then each electing ROFR Offeree Shareholder will be permitted and required to

purchase a portion of such Shareholder Interest calculated on a Per Capita Basis of the electing ROFR Offeree Shareholders or in such other proportions as the electing ROFR Offeree Shareholders mutually agree in writing. Notwithstanding the preceding sentences, the ROFR Offeree Shareholders may, subject to Super Majority Approval, elect to cause the Corporation to redeem the Shareholder Interest covered by the Sale Notice as opposed to acquiring such Shareholder Interest among the ROFR Offeree Shareholders provided such redemption results in the same economic results to the ROFR Selling Shareholder as a purchase of the Shareholder Interest.

(c) Except as otherwise provided in Section 3.7(e), any ROFR Offeree Shareholder that exercises its right to purchase the Shareholder Interest covered by the Sale Notice must receive any internal or other organizational approvals necessary to consummate such purchase right within sixty (60) days following such ROFR Offeree Shareholder's purchase election and must notify the ROFR Selling Shareholder and the other ROFR Offeree Shareholders in writing promptly after receiving such approvals. If a ROFR Offeree Shareholder does not notify the ROFR Selling Shareholder and the other ROFR Offeree Shareholders in writing that it has received such necessary internal approvals, then such ROFR Offeree Shareholder will not have the right to purchase the Shareholder Interest covered by the Sale Notice (or, as applicable, the portion of such Shareholder Interest on a Per Capita Basis). The closing of the purchase(s) (or redemption, if applicable) of such Shareholder Interest shall occur within thirty (30) days after *the last ROFR Offeree Shareholder provides notice that the necessary approvals were received* (or waived).

(d) In the event the ROFR Offeree Shareholders do not elect to purchase (or cause the Corporation to redeem) all of the Shareholder Interest offered by the ROFR Selling Shareholder on the terms set forth in the Bona Fide Offer, or if none of the ROFR Offeree Shareholders that exercised the right to purchase the Shareholder Interest covered by the Sale Notice notify the ROFR Selling Shareholder and the other ROFR Offeree Shareholders in writing of the receipt (or waiver) of the necessary approvals within the time period specified in Section 3.7(c), then the ROFR Selling Shareholder shall be permitted to Dispose of the Shareholder Interest in accordance with the Sale Notice, subject to the other terms and conditions of this Shareholders Agreement, including Section 3.3(b) (except, for the avoidance of doubt, the ROFR Selling Shareholder is not required to obtain the prior written approval of the Board of Managers to Dispose of the Shareholder Interest in accordance with such Sale Notice), which shall apply to any transferee. If the proposed Disposition does not occur within thirty (30) days after termination of the Notice Period, the ROFR Selling Shareholder shall be required to again comply with all of the provisions of Sections 3.6 and 3.7.

(e) A ROFR Offeree Shareholder that exercises its right to purchase the Shareholder Interest covered by the Sale Notice cannot condition its purchase on receiving any internal or other organizational approvals necessary to consummate such purchase if: (i) within the six (6) month period before such ROFR Offeree Shareholder received the Sale Notice, such ROFR Offeree Shareholder had also submitted a Bona Fide Offer under Section 3.6(a) but did not receive the necessary internal or other organizational approvals necessary to consummate that transaction within the required sixty (60) day period; and (ii) the terms of such Bona Fide Offer are substantially similar to the terms of the Bona Fide Offer from the prospective purchaser. If

that ROFR Offeree Shareholder is the only Shareholder to exercise its purchase rights under this Section 3.7, then the closing of the purchase (or redemption, if applicable) of such Shareholder Interest shall occur within thirty (30) days after such ROFR Offeree Shareholder provides notice that the necessary approvals were received (or waived) sends notice that it is exercising its right to purchase the Shareholder Interest covered by the Sale Notice.

3.8 Fair Market Value. If the terms and conditions of any Bona Fide Offer contemplate that all or any part of the purchase price for the proposed Disposition of a Shareholder Interest and corresponding Canadian Affiliate Partnership Interest will be paid in any form other than cash, the fair market value of such non-cash consideration shall be determined in accordance with this Section 3.8 and the ROFR Offeree Shareholder shall be entitled to provide cash consideration in lieu of the non-cash consideration being offered to the ROFR Selling Shareholder in an amount equivalent to the fair market value of such non-cash consideration. The fair market value of the Bona Fide Offer from a prospective purchaser is the amount (in U.S. dollars) determined as follows:

(a) Cash payable at closing will be valued in U.S. dollars.

(b) A security trading on a public market and for which published trading prices are readily available will be valued at its closing sales price (or if a sales price is not available at the average of its closing bid and asked prices) on the last Business Day preceding the date of the offer with respect to such offer.

(c) A security not described in clause (b) or other property, including cash payable in one or more installments, will be valued at its fair market value on the last Business Day preceding the date of the offer as determined by a unanimous vote of the Shareholders, which determination will be binding upon the Shareholder Disposing of the Shareholder Interest and corresponding Canadian Affiliate Partnership Interest for purposes of determining the fair market value of the offer. If the Shareholders, by unanimous vote, are unable or unwilling to agree on the fair market value of the Bona Fide Offer, the Shareholders must select an independent appraiser to determine the fair market value of the Bona Fide Offer, which determination will be binding upon the Shareholders for purposes of determining the fair market value of the Bona Fide Offer and the time periods set forth in Sections 3.6 and 3.7 shall be appropriately extended to accommodate such appraisal. The Shareholder Disposing of the Shareholder Interest and corresponding Canadian Affiliate Partnership Interest shall bear all costs associated with the independent appraisal.

(d) If within ten (10) days of receipt of the Sale Notice, the Shareholders are unable to agree on a fair market value and are unable to agree on an independent appraiser as set forth in Section 3.8(c), then within five (5) days of that time each Shareholder will select one (1) appraiser and those appraisers will determine the fair market value of the offer in accordance with the following: Each appraiser must submit its calculation of the fair market value of an offer described in Section 3.8(c) to the Corporation, the Shareholders and the accountants within thirty (30) days of the date of their selection. The fair market value of an offer described in Section 3.8(c) is the average of the determinations. The determination of the fair market value of an offer described in Section 3.8(c) in accordance with the foregoing procedure is final and binding on the Corporation and each Shareholder. Each appraiser selected pursuant to the provisions of

this Section 3.8(d) must be a qualified Person with prior experience in appraising businesses comparable to the business of the Corporation and must not be an interested person with respect to any Shareholder. The costs of the appraisals under this Section 3.8(d) shall be borne equally by all Shareholders.

(e) If any appraiser is only able to provide a range in which the fair market value of an offer described in Section 3.8(c) would exist, the average of the highest and lowest value in such range is considered to be such appraiser's determination of the fair market value of an offer described in Section 3.8(c). The time periods set forth in Sections 3.6 and 3.7 shall be appropriately extended to accommodate any appraisals under this Section 3.8.

3.9 Restrictions Applicable Upon Disposition. The restrictions of this Shareholders Agreement will continue to be applicable upon the Disposition of any Shareholder Interest, and any Person acquiring a Shareholder Interest must execute and become a party to this Shareholders Agreement and must hold such Shareholder Interest subject to all of the terms and conditions provided in this Shareholders Agreement, and no further Disposition of such Shareholder Interest may be made except in accordance with the terms and conditions provided in this Shareholders Agreement.

3.10 Information; Confidentiality.

(a) In addition to the other rights specifically set forth in this Shareholders Agreement, each Shareholder is entitled to all information to which that Shareholder is entitled to have access pursuant to the Act under the circumstances and subject to the conditions therein stated. Such information will be available for review during normal business hours.

(b) The Shareholders acknowledge that, from time to time, they may receive Confidential Information from or regarding the Corporation. Each Shareholder shall use commercially reasonable efforts to hold Confidential Information in trust and confidence and shall not disclose any Confidential Information to any Person except as may be authorized by the Board of Managers in writing. Notwithstanding the preceding to the contrary, each Shareholder may disclose Confidential Information to its Affiliates, and its and their respective advisors, accountants, attorneys, officers, directors, employees, agents, lenders, and to Persons to which a Shareholder's Shareholder Interest may be Disposed as permitted by this Shareholders Agreement, so long as such Persons are under an obligation not to disclose such information. "***Confidential Information***" means information relating to the Corporation; *provided, however*, that Confidential Information shall not include:

(i) any information that is contained in the public records, public filings or is otherwise publicly disclosed or available other than as the result of a breach of this Shareholders Agreement,

(ii) any information that is compelled by Law to be disclosed (but the Shareholder must notify the other Shareholders promptly of any request for that information before disclosing it, if practicable), or

(iii) any information that a Shareholder also has received from a source independent of the Corporation that the Shareholder reasonably believes obtained that information without breach of any obligation of confidentiality.

(c) The obligations under this Section 3.10 with respect to Confidential Information will survive for a period of three years following the dissolution of the Corporation.

3.11 Legends. Any instrument representing a Shareholder Interest will conspicuously bear the following legend:

> THE SECURITIES REPRESENTED BY THIS INSTRUMENT ARE SUBJECT TO RESTRICTIONS ON TRANSFER AND CERTAIN OTHER AGREEMENTS SET FORTH IN THE SHAREHOLDERS AGREEMENT OF THE CORPORATION DATED EFFECTIVE AS OF MAY 1, 2009, A COPY OF WHICH MAY BE OBTAINED BY THE REGISTERED HOLDER OF THIS INSTRUMENT AT THE CORPORATION'S PRINCIPAL PLACE OF BUSINESS.

3.12 Liability to Third Parties. No Shareholder is liable for the debts, obligations or liabilities of the Corporation, including under a judgment decree or order of a court.

3.13 Lack of Authority. Except as expressly provided for in this Shareholders Agreement, no Shareholder, acting in its capacity as a Shareholder, has the authority or power to act for or on behalf of the Corporation, to do any act that would be binding on the Corporation, or to incur any expenditures on behalf of the Corporation.

3.14 Development of Pipeline System.

(a) Within a reasonable amount of time after the execution of this Shareholders Agreement, the Corporation, on behalf of the Partnership, will accept the assignment of the Precedent Agreements. After the Precedent Agreements are assigned to the Partnership, but not later that five (5) Business Days before the date set forth in Section 3 of the Precedent Agreements by which the Sponsors (as defined in the Precedent Agreements) must obtain the approval of their respective senior management or Board of Directors or any other organizational approvals, as such date maybe amended from time to time, the Board of Managers will meet to determine whether or not such condition is or will be satisfied. If the Managers determine that the condition will not be satisfied, then they will decide the appropriate course of action to take.

(b) Promptly following, but not before, each Shareholder has received all necessary internal and other organizational approvals to authorize its respective appointed Manager to vote on a resolution authorizing the Corporation, on behalf of the Partnership, to proceed with the development of the Pipeline System pursuant to the schedules and terms of the Project Development Agreement, the Board of Managers will meet to vote on such a resolution. If the resolution to proceed with the Pipeline System is passed, (the date of such resolution is referred to as the "***Commitment Voting Date***"), then within ten (10) days after

the Commitment Voting Date, the Corporation, on behalf of the Partnership, will execute the Project Development Agreement.

(c) Within ninety (90) days of the Commitment Voting Date or as otherwise agreed upon by the Managers (but in no event before the Commitment Voting Date), the Corporation, on behalf of the Partnership, will execute an agreement with Union Gas Limited or an Affiliate of Union Gas Limited to provide the field maintenance services for the Pipeline System on such terms as are agreed upon by the Managers.

(d) Within ninety (90) days of the Commitment Voting Date or as otherwise agreed upon by the Managers (but in no event before the Commitment Voting Date), the Corporation, on behalf of the Partnership, will execute a marketing agreement with DTE Pipeline Company on such terms as are agreed upon by the Managers.

(e) Within ninety (90) days of the Commitment Voting Date or as otherwise agreed upon by the Managers (but in no event before the Commitment Voting Date), the Corporation, on behalf of the Partnership, will execute an interconnection agreement with Union Gas Limited on such terms as are agreed upon by the Managers.

(f) Within ninety (90) days of the Commitment Voting Date or as otherwise agreed upon by the Managers (but in no event before the Commitment Voting Date), the Corporation, on behalf of the Partnership, will execute a financial services agreement with Westcoast Energy Inc. on such terms as are agreed upon by the Managers.

(g) Within ninety (90) days of the Commitment Voting Date or as otherwise agreed upon by the Managers (but in no event before the Commitment Voting Date), the Corporation, on behalf of the Partnership, will execute an interconnection agreement with Dawn Gateway Pipeline, LLC on such terms as are agreed upon by the Managers.

(h) Within ninety (90) days of the Commitment Voting Date or as otherwise agreed upon by the Managers (but in no event before the Commitment Voting Date), the Corporation, on behalf of the Partnership, will execute agreements with Union Gas Limited and with St. Clair Pipelines LP for the purchase of Union Gas Limited's St. Clair pipeline and of St. Clair Pipelines LP's St. Clair River crossing pipeline, respectively, on such terms as are agreed upon by the Managers.

(i) Within ninety (90) days of the Commitment Voting Date or as otherwise agreed upon by the Managers (but in no event before the Commitment Voting Date), the Corporation, on behalf of the Partnership, will execute an agreement with MichCon or an Affiliate of DTE Pipeline Company ("***Operator***"), whereby such Operator will provide the field operations, maintenance and gas control management services for the Pipeline System on such terms as are agreed upon by the Managers

(j) In connection with any of the agreements described above in this Section 3.14, the Corporation, on behalf of the Partnership, will enter into such other agreements as are required by any applicable tariff in order for the Corporation, on behalf of the Partnership, to develop and operate the Pipeline System, provided such agreements contain terms and

conditions reasonably acceptable to the Managers. Additionally, the Corporation and the Shareholders agree that nothing in this Shareholders Agreement imposes any obligation on any Person not party to this Agreement, including MichCon and Westcoast Energy Inc., to enter into or to negotiate any transaction, including the agreements referenced in this Section 3.14.

3.15 Rights of a Transferee.

(a) Subject to and without limiting the provisions of Sections 3.3, 3.6 and 3.7: (i) a Person to whom an interest in the Corporation is transferred in compliance with Sections 3.3, 3.6 and 3.7 has the right to be admitted to the Corporation as a Shareholder with the Shareholder Interest so transferred to such Person if the Shareholder making such transfer grants the transferee the right to be so admitted; (ii) an Affiliate under the circumstances described in Section 3.3(b) has the right to be admitted to the Corporation as a Shareholder with the Shareholder Interest so transferred to the Affiliate; and (iii) the Corporation or a Lending Shareholder (with the permission of the Board of Managers, which may be withheld in its Sole Discretion) may grant the purchaser of an Adverse Shareholder's interest in the Corporation at the foreclosure of the security interest therein granted pursuant to Section 5.5 the right to be admitted to the Corporation as a Shareholder with such Shareholder Interest (with Shareholder Interest and Corporation Distribution Allocation no greater than those of the Shareholder effecting such Disposition prior thereto) as they may agree.

(b) The Corporation may not recognize for any purpose any purported Disposition of all or part of a Shareholder Interest unless and until the other applicable provisions of this Shareholders Agreement have been satisfied, and the Corporation has received a document executed by both the Shareholder effecting the Disposition (or if the transfer is on account of the liquidation of the transferor, its representative) and the Person to which the Shareholder Interest or part thereof is Disposed and which contains the following:

(i) the notice address of any Person to be admitted to the Corporation as a Shareholder and its agreement to be bound by this Shareholders Agreement in respect of the Shareholder Interest or part thereof being obtained; and

(ii) a representation and warranty that the Disposition was made in accordance with all applicable laws and regulations (including securities laws) and, if the Person to which the Shareholder Interest or part thereof is Disposed is to be admitted to the Corporation, its representation and warranty that the representations and warranties in Section 3.2 are true and correct with respect to that Person.

(c) Each Disposition and, if applicable, admission complying with the provisions of this Section 3.15 is effective as of the first day of the calendar month immediately succeeding the first month in which (i) the Corporation has received the notification of Disposition and (ii) the other requirements of this Section 3.15 have been met.

3.16 Interests in U.S. Affiliates. Notwithstanding anything in this Shareholders Agreement to the contrary, if any Shareholder's U.S. Affiliate Disposes of all or a portion of its U.S. Ownership Interest to any Person, then such Shareholder will Dispose of a portion of

its Shareholder Interest to that same Person (or a Wholly-Owned Affiliate of that Person) without further consideration (unless otherwise agreed by Unanimous Approval) as follows:

(a) such Shareholder will Dispose of such portion of its Shareholder Interest as may be necessary to ensure that its Shareholder Interest is such that its U.S. Affiliate holds an Equivalent U.S. Affiliate Voting Interest in Dawn Gateway Pipeline, LLC.

ARTICLE IV

REVISIONS TO SHAREHOLDER INTERESTS AND BUDGETS

4.1 Capital Contributions for System Expansions.

(a) If not all Limited Partners make a Capital Contribution for a System Expansion that is approved by the Board of Managers in accordance with the terms of this Shareholders Agreement, then upon the System Expansion Commencement Date each Shareholder's Shareholder Interest will be adjusted such that each Shareholder's Shareholder Interest is equal to a percentage, rounded to the nearest one thousandth, obtained by multiplying 100 by a fraction:

(i) the numerator of which is equal to the sum, as of the System Expansion Commencement Date, of: (1) the balance of such Shareholder's Canadian Affiliate's Capital Account, and (2) the balance of the U.S. Capital Account for such Shareholder's U.S. Affiliate; and

(ii) the denominator of which is equal to the sum as of the System Expansion Commencement Date, of: (1) the balances of the Capital Accounts for all Shareholder's Canadian Affiliates, and (2) the balances of the U.S. Capital Accounts for all of the U.S. Affiliates of the Shareholders.

(b) To determine the adjustments required under Section 4.1(a) above, the Corporation will request that Dawn Gateway Pipeline, LLC and the Limited Partnership provide such information to the Corporation as is necessary to calculate the balance of the Capital Account and U.S. Capital Account for the Canadian Affiliate and U.S. Affiliate of each Shareholder as of the System Expansion Commencement Date. Any such information provided by Dawn Gateway Pipeline, LLC or the Limited Partnership will be deemed to be Confidential Information subject to Section 3.10.

(c) By way of example and for purposes of clarification only, Exhibit 4.1(c) sets forth an example of the adjustments under Section 4.1(a) above.

4.2 Budgets.

(a) Prior to the Commencement Date, the Board of Managers shall adopt Budgets which shall be for periods of time as determined by the Board of Managers.

(b) Subsequent to the Commencement Date, the Board of Managers shall adopt annual Budgets for the Partnership not later than one hundred and twenty (120) days prior to the beginning of each fiscal year. If Shareholders do not approve a new annual Budget for the

following year by November 30 of the current year, a temporary budget will be applied equal to the then-current Budget times a factor of 1.05 unless and until such time a new budget is approved.

ARTICLE V

ADVERSE ACTS

5.1 Remedies.

(a) If an Adverse Act has occurred and is continuing with respect to any Shareholder, any Non-Adverse Shareholder may:

(i) commence any of the procedures specified in Section 5.2; or

(ii) seek to enjoin such Adverse Act or to obtain specific performance of the Adverse Shareholder's obligations pursuant to Section 14.13 or obtain Damages (as defined and subject to the limitations specified below) in respect of such Adverse Act.

The foregoing remedies are not mutually exclusive, and, subject to the requirements of this Section 5.1 regarding the timing of the election of such remedies, selection or resort to any of the remedies specified does not preclude selection or resort to the others. The election of a remedy specified in Section 5.1(a)(i) above may be exercised by notice given to the Adverse Shareholder within ninety (90) days after the Shareholder making such election obtains actual knowledge of the occurrence of such Adverse Act, including, if applicable, that any cure period has expired, provided that, if an election pursuant to Section 5.1(a)(ii) above is made to seek an injunction, specific performance or other equitable relief and a final judgment in such action is rendered denying such equitable remedy and no election was made pursuant to Section 5.1(a)(i) above, then, by notice given within twenty (20) days after such final judgment is rendered, the Non–Adverse Shareholder may elect to pursue the remedies specified in Section 5.1(a)(i) above unless (x) prior to the giving of such notice, the Adverse Shareholder has cured in full (or caused to be cured in full) the Adverse Act in question and no other Adverse Act with respect to such Adverse Shareholder has occurred and is continuing or (y) the final judgment denying equitable relief specifically held that there was no Adverse Act. Except as provided in this Article V and notwithstanding any other provision in this Shareholders Agreement, the failure to elect a remedy with respect to the subject Adverse Act within the time period provided above will be conclusively presumed to be a waiver of the remedies provided in this Article V with respect to the subject Adverse Act. Unless resort to such remedy has been waived as set forth in the immediately preceding sentence, the Corporation is entitled to recover from the Adverse Shareholder in an appropriate proceeding any and all damages, costs, liabilities, fines, penalties, losses and expenses (including reasonable attorneys' fees and disbursements) (collectively, "***Damages***") suffered or incurred by the Corporation as a result of such Adverse Act, provided that the Corporation may not recover or assert any claim against the Adverse Shareholder for punitive Damages or for indirect, special, or consequential Damages suffered or incurred by the Corporation as a result of an Adverse Act, and provided further that the amount the Corporation may recover in any action for Damages will be reduced by an amount equal to any positive difference between the Net Equity of the Adverse Shareholder's Canadian Affiliate Partnership

Interest and the applicable Buy-Sell Price. The resort to any remedy pursuant to this Section 5.1(a) will not for any purpose be deemed to be a waiver of any remedy not described in this Section 5.1(a) and otherwise available under this Shareholders Agreement or under applicable Law.

(b) If the Corporation is dissolved at any time as a result of a Dissolution Event that occurs prior to a remedy having been elected pursuant to Section 5.1(a) with respect to any Adverse Shareholder, the time periods for such election expire upon the Dissolution Event and the Corporation will deduct from any amounts to be paid to such Adverse Shareholder pursuant to Section 12.2 that amount that it reasonably estimates to be sufficient to compensate the Non-Adverse Shareholders for Damages incurred by them as a result of the Adverse Act (subject to the limitations of Section 5.1(a)) and will pay the same to the Non-Adverse Shareholders on behalf of the Adverse Shareholder.

5.2 Adverse Act Procedures. Pursuant to Section 5.1(a), the Non-Adverse Shareholders may commence, or cause the Corporation to commence, any of the following procedures:

(a) Purchase of the Adverse Shareholder's Shareholder Interest. Under this procedure, the Adverse Shareholder is obligated to sell all but not less than all of the Adverse Shareholder's Shareholder Interest in accordance with this Section 5.2(a) and the Adverse Shareholder's Canadian Affiliate is obligated to sell its Canadian Affiliate's Canadian Affiliate Partnership Interest in accordance with the Partnership Agreement:

(i) The purchase price (the "***Buy-Sell Price***") will be equal to:

(A) in the case of any Adverse Act (other than an Adverse Act identified in subparagraph (e) of the definition of "*Adverse Act*"), 0.01% of ninety percent (90%) of the Net Equity of the Adverse Shareholder's Canadian Affiliate Partnership Interest, and

(B) in the case of an Adverse Act specified in subparagraph (e) of the definition of "*Adverse Act*", 0.01% of the Net Equity.

(ii) The Net Equity of the Adverse Shareholder's Canadian Affiliate Partnership Interest will be determined in accordance with Section 5.3(b) of the Partnership Agreement.

(iii) For a period ending at 11:59 p.m. (local time at the Corporation's principal office) on the thirtieth (30th) day following the day on which notice of the Adverse Shareholder's Net Equity is given pursuant to Section 5.3(b) of the Partnership Agreement (the "***Election Period***"), each Non-Adverse Shareholder, may elect to purchase, or designate an Affiliate to purchase, the Shareholder Interest of the Adverse Shareholder by providing written notice (a "***Purchase Notice***") to the Adverse Shareholder and to the other Shareholders, which notice must state that such Non-Adverse Manager, or such designated Affiliate (in each case, a "***Purchasing Shareholder***"), is willing to purchase the Shareholder Interest of the Adverse

Shareholder. If more than one Non-Adverse Shareholder elects to purchase the Shareholder Interest of the Adverse Shareholder, then each Purchasing Shareholder will be permitted and required to purchase a portion of such Shareholder Interest calculated on a Per Capita Basis of the Purchasing Shareholders or in such other proportions as the Purchasing Shareholders mutually agree in writing. Notwithstanding the preceding sentences, the Non-Adverse Shareholders, upon the unanimous consent of such Shareholders, may elect to cause the Corporation to redeem the Shareholder Interest of the Adverse Shareholder as opposed to acquiring such Shareholder Interest among the Non-Adverse Shareholders provided such redemption results in the same economic results to the Adverse Shareholder as a purchase of such Shareholder Interest. Notwithstanding the preceding sentences, if the Non-Adverse Shareholders do not elect to purchase (or cause the Corporation to redeem) the entire Shareholder Interest of the Adverse Shareholder, then the Adverse Shareholder shall not be obligated to sell (or surrender for redemption) any portion of its Shareholder Interest to the Non-Adverse Shareholders.

(iv) Unless the Purchasing Shareholders and the Adverse Shareholder otherwise agree, the closing of the purchase and sale (or redemption if applicable) of the Adverse Shareholder's Shareholder Interest will take place at the principal office of the Corporation at 10:00 a.m. (local time at the place of the closing) on the first Business Day occurring on or after the thirtieth (30th) day following the last day of the Election Period (subject to Section 5.4). At the closing, the Purchasing Shareholders will pay to the Adverse Shareholder, by cash or other immediately available funds, the Buy-Sell Price for the Adverse Shareholder's Shareholder Interest and the Adverse Shareholder must deliver to the Purchasing Shareholders good title, free and clear of any liens or encumbrances (other than those created by this Shareholders Agreement), to the Adverse Shareholder's Shareholder Interest thus purchased. At the closing, the Shareholders will execute such documents and instruments of conveyance as may be necessary or appropriate to effectuate the transactions contemplated hereby, including the Disposition of the Adverse Shareholder's Shareholder Interest to the Purchasing Shareholders or their Affiliates. The Corporation and each Shareholder will bear its own costs of such Disposition and closing, including reasonable attorneys' fees and filing fees. The cost of determining the Net Equity will be borne one-half by the Adverse Shareholder and one-half by the Purchasing Shareholders (or, if redeemed, one half by the Corporation).

(vi) In conjunction with any purchase of an Adverse Shareholder's Shareholder Interest pursuant to this Section 5.2(a), each Purchasing Shareholder shall be obligated to purchase, of have its Affiliate purchase, the Canadian Affiliate Partnership Interest of the Adverse Shareholder's Canadian Affiliate in accordance with the Partnership Agreement.

(b) If the Adverse Act is a Capital Contribution Failure and one or more Non-Adverse Shareholders' (the "***Diluting Shareholders***") Canadian Affiliates elect under Section 5.2(d) of the Partnership Agreement, then under this procedure, the respective Shareholder Interests of the Shareholders shall be reallocated as follows: the Shareholder Interest of the Diluting Shareholders shall be increased by the amount of basis points equal to the lesser of (A) the Shareholder Interest of the Adverse Shareholder or (B) a fraction the numerator of which is

equal to two hundred percent (200%) of the amount of the required Capital Contribution the Diluting Shareholder's Canadian Affiliate has made pursuant to Section 5.2(d) of the Partnership Agreement and the denominator of which is equal to the amount of Capital Contributions made by all Shareholders' Canadian Affiliates through and including the date such Diluting Shareholders' Canadian Affiliates have made the required Capital Contribution; the Shareholder Interest of the Adverse Shareholder shall be reduced by the same amount but not reduced below zero,

5.3 Extension of Time.

(a) If any Disposition of a Shareholder's Shareholder Interest in accordance with this Article V or Article III requires the consent, approval, waiver, or authorization of any Governmental Authority as a condition to the lawful and valid Disposition of such Shareholder's Shareholder Interest to the proposed transferee, then each of the time periods provided in this Article V or Article III, as applicable, for the closing of such Disposition is suspended for the period of time during which any such consent, approval, waiver, or authorization is being diligently pursued, *provided, however*, that in no event may the suspension of any time period pursuant to this Section 5.4 extend for more than three hundred sixty-five (365) days other than in the case of a purchase of an Adverse Shareholder's Shareholder Interest. Each Shareholder agrees to use its diligent efforts to obtain, or to assist the affected Shareholder in obtaining, any such consent, approval, waiver, or authorization and will cooperate and use its diligent efforts to respond as promptly as practicable to all inquiries received by it, by the affected Shareholder or by the Corporation from any Governmental Authority for initial or additional information or documentation in connection with such consent.

(b) If any Disposition of a Shareholder's Shareholder Interest in accordance with this Article V requires internal or other organizational approvals as a condition to the Disposition of such Shareholder's Shareholder Interest to the proposed transferee, then each of the time periods provided in this Article V for the closing of such Disposition is suspended for the period of time during which any such consent, approval, waiver, or authorization is being diligently pursued, provided, however, that in no event may the suspension of any time period pursuant to this Section 5.3 extend for more than sixty (60) days.

5.4 Grant of Security Interest. Each Shareholder hereby grants to the Corporation, as security (equally and ratably) for the payment of all Capital Contributions that such Shareholder's Canadian Affiliate has agreed to make, a security interest in and a general lien on its Shareholder Interest and the proceeds thereof, all under the PPSA. Upon any default in the payment of a Capital Contribution under the Partnership Agreement, the Corporation is entitled to all the rights and remedies of a secured party under the PPSA with respect to the security interest granted in this Section 5.4. Each Shareholder shall execute and deliver such financing statements and other documents to the Corporation who may request same to effectuate and carry out the preceding provisions of this Section 5.4. At the option of any Shareholder, this Shareholders Agreement or a copy hereof may serve as a financing statement.

5.5 Loss of Voting Rights. In addition to the remedies set forth in this Article V, so long as a Shareholder remains an Adverse Shareholder, the Adverse Shareholder's appointed Managers shall have no voting rights pursuant to this Shareholders Agreement.

ARTICLE VI

SUBSCRIPTION FOR SHARES

6.1 Subscription for Shares. Each of the Shareholders as at the date hereof has subscribed for and paid for, and the Corporation has issued to each Shareholder, two hundred and forty-five fully paid and non-assessable common shares of the Corporation at a subscription price of $10.00 per common share for an aggregate subscription price of $2,450.00. To the extent the Canadian Affiliate Partnership Interest applicable to a Shareholder changes pursuant to the Partnership Agreement, such Shareholder shall be entitled to hold and shall be obligated to acquire, or subscribe for, common shares of the Corporation such that the common shares held by the Shareholder shall be in the same proportion as the Shareholder's Canadian Affiliate Partnership Interest.

6.2 Future Contributions. The Parties acknowledge that under the terms of the Partnership Agreement, the Limited Partners are required to fund any future Capital Contributions.

6.3 Voluntary Contributions. No Shareholder shall make any capital contributions to the Corporation other than pursuant to Section 6.1.

ARTICLE VII

DISTRIBUTIONS

7.1 Distributions. Within thirty (30) days before the end of each Quarter, the Board of Managers shall determine to what extent (if any) the Partnership's cash on hand exceeds its current and anticipated needs, including its operating expenses, debt service, acquisitions and a reasonable contingency reserve. If such an excess exists, the Board of Managers will then vote to distribute such excess to the Partners (other than to an Adverse Partner). Except as provided in Article XII of the Partnership Agreement, all distributions to the Partners will be in proportion to their respective Canadian Affiliate Distribution Allocations.

7.2 **Limitations on Shareholder Distributions**. The Corporation may not make any distributions to the Shareholders except in accordance with the Act and as approved by the Board of Managers; provided that, except as provided in Article XII, any distributions to the Shareholders will be in proportion to their respective Canadian Affiliates' Canadian Affiliate Distribution Allocations.

ARTICLE VIII

MANAGEMENT OF THE CORPORATION

8.1 **Directors**.

(a) The Corporation shall have two (2) Directors. Each Shareholder, together with its Affiliates, shall be entitled to nominate one (1) Director for so long as it, together with its Affiliates, holds at least 20% of the issued and outstanding voting shares of the Corporation. If a Shareholder, together with its Affiliates, ceases to hold at least 20% of the issued and outstanding voting shares of the Corporation, that Shareholder, together with its Affiliates, shall not be entitled to nominate any Directors. Any vacancies in the board of Directors resulting from the loss of a Shareholder of a right to nominate a Director shall be filled by the nomination of a Director by Majority Approval so as to maintain a Board consisting of the numbers specified in this Section 8.1(a). Each Shareholder shall be entitled to remove and replace its nominees from time to time as provided in Section 8.1(c), and each Shareholder shall vote its shares to elect the Directors nominated in accordance with this Shareholders Agreement. To the extent a Shareholder loses the right to appoint one or more Directors pursuant to this Agreement, that Shareholder shall cause such Director or Directors, as applicable, to resign.

(b) Any Shareholder entitled to nominate and elect a nominee to the board of Directors shall give notice to each of the other Shareholders stating the name of the nominee or nominees proposed by such Shareholder.

(c) Any Shareholder entitled to nominate and elect a Director shall be entitled to remove any such Director by notice to such Director, the other Shareholders and to the Corporation. Any vacancy occurring on the board of Directors by reason of the death, disqualification, inability to act, resignation or removal of any Director shall be filled only by a nominee of the Shareholder that has the right to appoint such nominee in accordance with Section 8.1(a) so as to maintain a Board consisting of the numbers specified in Section 8.1(a).

8.2 **Management Structure**. The exclusive right, power and authority of the Directors to (i) manage, control, administer and operate the Partnership, the Corporation and their respective businesses and (ii) do any act, take any proceeding, make any decision and execute and deliver any instrument, deed, agreement or document in the name of the Corporation for itself incidental to the business of the Corporation or as general partner of the Partnership incidental to the business of the Partnership are abrogated and restricted to the fullest extent permitted by Law and the Board of Managers shall have all such right, power and authority. Each of the Directors is relieved of that Director's duties and liabilities as a director of the Corporation until such time as this Shareholders Agreement is amended to reinstate some or all of such powers to the Directors.

8.3 Management of Corporation.

(a) Subject to nonwaivable provisions of applicable Law and the provisions of this Shareholders Agreement, the powers of the Corporation will be exercised by or under the authority of, and the business and affairs of the Corporation will be managed under the direction of, a board of managers (the "***Board of Managers***") which will conduct, direct and exercise control over all activities of the Corporation and will have full power and authority on behalf of the Corporation to manage and administer the business and affairs of the Corporation and the Partnership and to do or cause to be done any and all acts deemed necessary by it to be necessary or appropriate to conduct the business of the Corporation and the Partnership. The Board of Managers may delegate certain of its powers to officers, who shall be agents of the Corporation. The Shareholders, by virtue of their status as shareholders of the Corporation, shall not have any management power over the business and affairs of the Corporation or actual or apparent authority to enter into contracts on behalf of, or to otherwise bind, the Corporation. Except as otherwise specifically provided in this Shareholders Agreement, the business and affairs of the Corporation shall be managed under the direction of the Board of Managers.

(b) The Managers may not cause the Corporation to do or perform any acts specified in Exhibit 8.3(b) without Super Majority Approval, except as expressly provided otherwise on Exhibit 8.3(b).

(c) The Managers may not cause the Corporation to do or perform any acts specified in Exhibit 8.3(c) without Unanimous Approval.

8.4 Board of Managers.

(a) Number of Managers. The Board of Managers shall consist of a number of Managers equal to the number of Shareholders that appoint a Manager in accordance with Section 8.4(b); *provided, however*, in the event two or more Shareholders are or become Affiliates of each other then there shall be only one (1) Manager for such group of Shareholders that are Affiliates of each other. Each Manager shall be a natural person. The initial Board of Managers shall consist of two (2) Managers. Thereafter, subject to the requirements of Section 8.4(b), the Board of Managers shall be automatically increased in number in the event and to the extent new Shareholders are admitted to the Corporation or in the event and to the extent Shareholders who are Affiliates of each other become unaffiliated subsequent to becoming Shareholders. Conversely, the Board of Managers shall automatically be reduced in number in the event and to the extent a Shareholder Withdraws from the Corporation (if and as permitted) or in the event two or more Shareholders become Affiliates of each other subsequent to becoming Shareholders. A temporary vacancy created by the death, resignation, or removal of a Manager shall not violate this Section 8.4(a). Each Manager shall be selected in the manner provided in Section 8.4(b) and shall serve in such capacity until his successor has been duly appointed and qualified or until such Manager dies, becomes disabled, resigns or is removed or until such earlier date when the Appointing Shareholder who appointed such Manager ceases to be a Shareholder. The decisions or actions taken by the Board of Managers in accordance with the provisions of this Shareholders Agreement shall constitute decisions or actions by the Corporation and shall be binding on each Shareholder, Manager, officers and employees of the Corporation.

(b) Appointment of Managers.

(i) *Number.* Each Shareholder having a Shareholder Interest of at least twenty percent (20%) shall have the right to appoint one (1) Manager; *provided, however*, Shareholders that are Affiliates of each other shall have the right to appoint only one (1) Manager among themselves. Each Manager shall serve at the pleasure of the Shareholder that appoints such Manager (the "***Appointing Shareholder***" including all Shareholders that are Affiliates of each other). The initial Managers shall be the individuals set forth on Exhibit 8.4(b).

(ii) *Procedure.* Each Manager shall be appointed by the Appointing Shareholder providing written notification to the Corporation and all other Shareholders of such Shareholder's choice of a Manager. A transferee of a Shareholder Interest shall have no right to appoint a Manager, unless such transferee becomes a Shareholder pursuant to the terms and conditions of this Shareholders Agreement.

(iii) *Additional Shareholder Interests.* If a Person becomes a Shareholder pursuant to this Shareholders Agreement who is not an Affiliate of an existing Shareholder, the Person becoming a Shareholder shall have the right to immediately appoint a Manager subject to the requirements of this Section 8.4(b).

(c) Removal and Vacancies.

(i) *Removal.* Any Manager can be removed prior to the expiration of the term of office then being served by such Manager by the Appointing Shareholder, with or without cause, by such Appointing Shareholder providing written notification of such removal to the Manager being removed and the other Managers which constitute the Board of Managers. In the event two or more Shareholders become Affiliates of each other subsequent to becoming Shareholders then such Shareholders shall promptly remove such number of Managers appointed by such Shareholders so that there is only one (1) remaining Manager appointed by such Shareholders. A Manager shall automatically cease to be a Manager when the Shareholder who appointed such Manager ceases to be a Shareholder, which shall not be deemed to create a vacancy on the Board of Managers.

(ii) *Vacancy.* A vacancy on the Board of Managers shall be filled by the appointment by the Shareholder whose previous appointment's departure, whether by death, disability, resignation, removal, or term expiration, either created or will create the vacancy.

(d) Voting. Unless otherwise required by the other provisions of this Shareholders Agreement:

(i) each Manager shall have voting rights equal to and proportionate with the Shareholder Interest (or Shareholder Interests in the event the Appointing Shareholder comprises members that are Affiliates of each other) of his Appointing Shareholder and voting by proxy by Managers shall be permitted (for avoidance of doubt Managers shall

not have one vote per Manager but instead shall vote in the same percentages as each Appointing Shareholder);

(ii) the presence, in person or by proxy, at a meeting of the Board of Managers of a Majority of Managers shall constitute a quorum at any such meeting for the transaction of business; and

(iii) the act of the Managers present, in person or by proxy, representing a Required Interest at a meeting of the Board of Managers at which a quorum is present shall be deemed to constitute the act of the Board of Managers.

(e) Regular Meetings. Regular meetings of the Board of Managers and any committee thereof shall be held at such times and places as shall be designated from time to time by resolution of the Board of Managers or such committee. Notice of such regular meetings shall be provided not less than twenty (20) Business Days prior to the regular meeting.

(f) Special Meetings; System Expansions. Special meetings of the Board of Managers or meetings of any committee thereof may be called on the written request of any one (1) Manager or committee members, as applicable, to the Managers, in each case on at least twenty (20) days notice to each Manager or committee member. Such notice must state the purpose of such meeting unless otherwise waived by a Manager. Further, unless otherwise waived by a Manager, if the purpose of any such meeting is to vote upon a System Expansion, then the notice must include detail as is reasonably sufficient to demonstrate that the desired modification qualifies as a "*System Expansion*" as defined in this Shareholders Agreement and such detail shall include, but not be limited to, detailed engineering design and cost estimates, market requirements as demonstrated by an open season to support the proposed System Expansion and the proposed in-service date.

(g) Authority to Bind the Corporation. Except as otherwise expressly permitted by this Shareholders Agreement or by resolution of the Board of Managers, no Manager or group of Managers shall have any actual or apparent authority to enter into contracts on behalf of, or to otherwise bind, the Corporation, nor take any action in the name of or on behalf of the Corporation or conduct any business of the Corporation other than by action of the Board of Managers taken in accordance with the provisions of this Shareholders Agreement, and no Manager shall have the power or authority to delegate to any Person such Manager's rights and powers as a Manager to manage the business and affairs of the Corporation. The Board of Managers, by resolution, may establish policies regarding the authority of the Corporation to take action without approval of the Board of Managers provided such action is not inconsistent with the other provisions of this Shareholders Agreement.

(h) Disclaimer of Duties. EACH MANAGER SHALL REPRESENT, AND OWE DUTIES TO, ONLY THE SHAREHOLDER THAT APPOINTED SUCH MANAGER (THE NATURE AND EXTENT OF SUCH DUTIES BEING AN INTERNAL CORPORATE AFFAIR OF SUCH SHAREHOLDER), AND NOT TO THE CORPORATION, AND ANY OTHER SHAREHOLDER OR MANAGER, OR ANY OFFICER OR EMPLOYEE OF THE CORPORATION. THE PROVISIONS OF THIS SECTION 8.4(h) APPLY SOLELY AND EXCLUSIVELY TO VOTES, CONSENTS AND APPROVALS UNDER THIS

SHAREHOLDERS AGREEMENT AND SPECIFICALLY SHALL NOT APPLY TO THE EXERCISE OF ANY RIGHTS, OBLIGATIONS OR DISCRETION THAT A PARTY HERETO MAY OTHERWISE HAVE UNDER THIS SHAREHOLDERS AGREEMENT.

8.5 Liability of Managers. A Manager shall not be personally liable under any judgment, decree or order of a court, or in any other manner, for any debt, obligation or liability of the Corporation by reason of his acting as a Manager. Additionally, a Manager shall not be personally liable to the Corporation or the Shareholders for monetary damages by reason of his acting as a Manager except for liability for any acts or omissions that involve intentional misconduct, fraud or a knowing violation of applicable Law. Any repeal or modification of this Section 8.5 by the Shareholders shall be prospective only and shall not adversely affect any limitation on the personal liability of a Manager existing at the time of such repeal or modification or thereafter arising as a result of acts or omissions prior to the time of such repeal or modification.

8.6 Actions by Committees; Delegation of Authority and Duties.

(a) The Board of Managers may, from time to time, designate by resolutions to such effect one or more committees, each of which must be comprised of one or more of the Managers. Any such committee, to the extent provided in such resolution or this Shareholders Agreement will have and may exercise all of the authority of the Board of Managers. At every meeting of any such committee, the presence of a majority of all the Managers will constitute a quorum, and the affirmative vote of the Managers present, in person or by proxy, representing a Required Interest will be necessary and sufficient for the adoption of any resolution. The Board of Managers may dissolve any committee at any time, unless otherwise provided in this Shareholders Agreement.

(b) The Board of Managers may, from time to time, delegate to one or more Managers, designees of such Manager, employees of the Corporation or any Person such authority and duties as the Board of Managers may deem advisable. In addition, the Board of Managers may, with the approval of a Required Interest, assign titles (including president, vice president, secretary, assistant secretary, treasurer and assistant treasurer) to any Manager, designee of such Manager, employees of the Corporation or any Person. Any number of titles may be held by a Person designated by the Board of Managers. Any delegation pursuant to this Section 8.6 may be revoked at any time by the Board Managers

8.7 Transactions Involving Interested Managers and Officers.

(a) The Corporation may enter into a contract or transaction between the Corporation and one or more of its Shareholders, their Affiliates and their respective Managers, directors, officers or employees, or between the Corporation and any other entity in which one or more such Persons owns a financial interest or of which such Person is an Affiliate, Manager, officer, director or employee, provided the terms and conditions of those contracts or transactions are no less favorable than those the Corporation could obtain from unrelated third parties and such contracts or transactions are authorized or approved pursuant to this Corporation Agreement. Interested Managers may be counted in determining the presence of a quorum at a meeting of the Board of Managers or a committee thereof that authorizes the contract or transaction in question.

(b) Notwithstanding any other provision in this Agreement, if the Corporation and a Shareholder, its Affiliate or their respective Managers, directors, officers or employees propose to enter into a contract or amend (each of which, for purposes of clarification, would be subject to the requirements set forth in Section 8.7(a) above), or exercise any rights under, an existing contract or arrangement between the Corporation and such Person (a "***Contract Decision***"), or if a dispute arises between the Corporation and a Shareholder, its Affiliates or their respective Managers, directors, officers or employees under any contract or arrangement between the Corporation and such Person (a "***Contract Dispute***"), (i) such Shareholder shall not participate in (by its Manager's vote on the Board of Managers or otherwise) the decisions of the Corporation with respect to such Contract Decision or Contract Dispute, and (ii) the determination of whether the Required Interest has been obtained concerning any matter relating to such Contract Decision or Contract Dispute shall be calculated without reference to such Shareholder's Shareholder Interest; provided however, if at the time there are only two Shareholders of the Corporation that are not Affiliates of one another, any such Contract Decision or Contract Dispute that is not resolved by discussion among the Board of Managers shall be resolved in accordance with Article XIII. For the purposes of this Section 8.7(b), if there are more than two Shareholders at the time of a Contract Decision or Contract Dispute, any Shareholders that are Affiliates of each other shall collectively constitute one Shareholder.

8.8 Insurance. During the term of this Shareholders Agreement, the Corporation, will at all times carry and maintain in full force and effect such insurance as the Board of Managers deems reasonably necessary for the operation of the business of the Corporation including officer and director or equivalent liability coverage pursuant to Section 9.5, if appropriate. The premiums for any such insurance coverage will be an expense borne by the Corporation. The Managers, the Shareholders and their respective Affiliates will be named as additional insureds under such policies in such business or individual capacities as may be deemed appropriate by the Corporation to effectuate the intent of this provision.

8.9 Meetings of the Shareholders.

(a) Special meetings of the Shareholders may be called by the Board of Managers or Shareholders who are record owners of Shareholder Interests which aggregate at least twenty percent (20%) in amount of the total of all Shareholder Interests. Any such meeting shall be held on such date and at such time and place as the Person calling such meeting shall specify in the notice of the meeting, which shall be delivered to each Shareholder at least twenty (20) days prior to such meeting. Only business within the purpose or purposes described in the notice (or waiver thereof) for such meeting may be conducted at such meeting.

(b) Written or printed notice stating the place, day and hour of the meeting, and in the case of a special meeting, the purposes for the meeting, must be delivered not less than twenty (20) nor more than sixty (60) days before the date of the meeting to each Shareholder entitled to vote at such meeting.

(c) At any time that the Corporation has in excess of four (4) Shareholders, the Corporation will make, at least twenty (20) days before each meeting of Shareholders, a complete list of the Shareholders entitled to vote at such meeting, arranged in alphabetical order, with the address of and the Shareholder Interest held by each, which list, for a period of twenty

(20) days prior to such meeting, will be kept on file at the registered office or the principal place of business of the Corporation and may be inspected by any Shareholder at any time on a Business Day during usual business hours. Such list will also be produced and kept open at the time and place of the meeting and may be inspected by any Shareholder during the whole time of the meeting. The original membership records are prima facie evidence as to who are the Shareholders entitled to examine such voting list or to vote at any meeting of Shareholders. Failure to comply with the requirements of this Section 8.9(c) does not affect the validity of any action taken at the meeting.

8.10 Provisions Applicable to All Meetings. In connection with any meeting of the Board of Managers, the Shareholders, or any committee, the following provisions shall apply:

(a) Place of Meeting. Any meeting shall be held at the principal place of business of the Corporation, unless the notice of such meeting specifies a different place, which need not be in the Province of Ontario.

(b) Meetings by Telephone. Managers, Shareholders or members of a committee may participate in and hold such meeting by means of conference telephone, videoconference, or similar communications equipment or another suitable electronic communications system, including the Internet, or any combination, provided all Persons participating in the meeting can hear each other.

(c) Waiver of Notice Through Attendance. Attendance of a Person at such meeting shall constitute a waiver of notice of such meeting, except where such Person attends the meeting for the express purpose of objecting and does so object at the beginning of the meeting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

(d) Written Waiver of Notice. Any Person entitled to receive notice of a meeting may waive such notice by providing to the Board of Managers a written waiver of notice either before or after such meeting.

(e) Adjournment. A Majority of Managers, a majority of Shareholders (based on Shareholder Interests) or members of a committee (representing a Majority of Managers), as applicable, who are present at a meeting of such respective bodies may adjourn such meeting to another time and place. Notice of a time and place of holding an adjourned meeting need not be given unless the meeting is adjourned for more than two (2) Business Days. If the meeting is adjourned for more than two (2) Business Days, then notice of a time and place of the adjourned meeting shall be given before the adjourned meeting takes place, in the same manner and timing as specified herein for the initial meeting.

(f) Proxies. A Person may vote at such meeting by a written proxy executed by that Person and delivered to Managers, Shareholders or members of a committee, as applicable. A proxy shall be revocable unless it is stated to be irrevocable. No proxy will be valid after eleven (11) months from the date of its execution unless the proxy form conspicuously states that the proxy is irrevocable and the proxy is coupled with an interest. If a proxy designates more than one (1) Person to act as proxy, unless that instrument provides to the contrary, a majority of such

Persons present at any meeting at which their proxy powers are to be exercised will have and may exercise all the powers of voting or giving consents conferred by the proxy, or, if only one (1) is present, then such powers may be exercised by that one; or, if an even number attend and a majority do not agree on any particular issue, the Corporation is not required to recognize such proxy with respect to such issue if the proxy does not specify how the Shareholder Interest that is the subject of such proxy is to be voted with respect to such issue.

(g) Action by Written Consent. Except for a vote on whether to approve a System Expansion, any action required or permitted to be taken at such a meeting may be taken without a meeting and without a vote if a consent or consents in writing, setting forth the action so taken, is signed and dated by the Managers, Shareholders or members of a committee having not fewer than the minimum number of votes that would be necessary to take the action at a meeting at which all Managers, Shareholders or members of a committee entitled to vote on the action were present and voted. In the event such action is taken with less than a unanimous vote then prior to such action notice must be provided as required pursuant to this Shareholders Agreement as if such action was going to be taken at a meeting. In the event action is taken without a meeting as provided herein, copies of such consent or consents shall be promptly provided to all Managers, Shareholders or members of a committee that do not participate in such consent or consents. The record date for determining Managers, Shareholders or members of a committee entitled to consent to an action in writing without a meeting is the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation by delivery to its registered office or its principal place of business.

(h) Signatures. The Corporation may accept signatures by means of any symbol executed or adopted by a Person with present intention to authenticate a writing including a digital signature, an electronic signature, or a facsimile of a signature.

(i) Disclaimer of Duties. WITH RESPECT TO ANY VOTE, CONSENT OR APPROVAL AT ANY MEETING OF BOARD OF MANAGERS, SHAREHOLDERS, OR ANY COMMITTEE, OR OTHERWISE UNDER THIS SHAREHOLDERS AGREEMENT, EACH SHAREHOLDER OR ITS MANAGER MAY GRANT OR WITHHOLD SUCH VOTE, CONSENT OR APPROVAL (A) IN ITS SOLE DISCRETION UNLESS SUCH VOTE, CONSENT OR APPROVAL IS EXPRESSLY REQUIRED TO NOT BE UNREASONABLY WITHHELD, AND (B) WITHOUT TAKING INTO ACCOUNT THE INTERESTS OF, AND WITHOUT INCURRING LIABILITY TO, THE CORPORATION, ANY OTHER SHAREHOLDER, OR ANY OFFICER OR EMPLOYEE OF THE CORPORATION. THE PROVISIONS OF THIS SECTION 8.10(i) SHALL APPLY NOTWITHSTANDING THE NEGLIGENCE, GROSS NEGLIGENCE, WILLFUL MISCONDUCT, STRICT LIABILITY OR OTHER FAULT OR RESPONSIBILITY OF A MEMBER OR ITS MANAGER. THE PROVISIONS OF THIS SECTION 8.10(i) APPLY SOLELY AND EXCLUSIVELY TO VOTES, CONSENTS AND APPROVALS UNDER THIS CORPORATION AGREEMENT AND SPECIFICALLY SHALL NOT APPLY TO THE EXERCISE OF ANY RIGHTS, OBLIGATIONS OR DISCRETION THAT A PARTY HERETO MAY OTHERWISE HAVE UNDER THIS AGREEMENT.

8.11 Conflicts of Interest. Each Manager, Shareholder and their Affiliates at any time and from time to time may engage in and possess interests in other business ventures of

any and every type and description, independently or with others, including ones in competition with the Corporation, any Shareholder or their Affiliates with no obligation to offer to the Corporation or, any other Shareholder or any of their Affiliates the right to participate in such ventures. Neither the Corporation nor any of the other Shareholders will have any rights by virtue of this Shareholders Agreement in and to such independent business ventures or to the income or profits derived from such ventures, and as a material part of the consideration for the execution of this Shareholders Agreement by each Shareholder, each Shareholder waives, relinquishes, and renounces any such right or claim of participation.

ARTICLE IX

INDEMNIFICATION

9.1 Indemnification.

(a) Each Shareholder (a "**Shareholder Indemnitor**") shall indemnify and hold harmless the Corporation and each other Shareholder and its Affiliates and their respective directors, officers, partners, employees, agents, unitholders, shareholders, trustees and representatives (individually and collectively called the "**Shareholder Indemnitees**") from and against all Damages incurred by a Shareholder Indemnitee, in connection with, directly or indirectly, any Action arising, directly or indirectly, (i) by reason of any misrepresentation or breach of warranty with respect to such Shareholder Indemnitor's representations and warranties herein, or (ii) in connection with the acts or omissions of such Shareholder Indemnitor which are in relation to or in connection with its rights, responsibilities, obligations or status as a Shareholder and which result from its negligence, fraud, wilful misconduct, or breach of this Shareholders Agreement or applicable Law. Any Shareholder Indemnitor required to provide indemnification under this Section 9.1(a) to a Shareholder Indemnitee shall be entitled to contribution from the other Shareholders if such other Shareholders are also required to provide indemnification under this Section 9.1(a) with respect to the same matter. To the extent that a Shareholder is obligated to provide indemnification under this Section 9.1(a), its Manager shall have no entitlement to indemnification from the Corporation pursuant to Section 9.1(b).

(b) **Indemnification of Managers**. Subject to the limitations and conditions as provided in this Article IX, each Person who was or is made a party to or is threatened to be made a party to or is involved in any threatened, pending or completed Action, or any appeal of such an Action or any inquiry or investigation that could lead to such an Action, by reason of the fact that the Person, or a person for whom the Person acted as the legal representative, is or was a Manager of the Corporation or while a Manager of the Corporation is or was serving at the request of the Board of Managers as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic limited liability company, corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise shall be indemnified by the Corporation to the fullest extent permitted by applicable Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said Law permitted the Corporation to provide prior to such amendment) (collectively, "***Manager Indemnitees***") against judgments, penalties (including excise and similar taxes and punitive damages), fines, settlements and reasonable expenses

(including reasonable attorneys' fees) actually incurred by such Person in connection with such Action and the indemnification under this Section 9.1(b) will continue as to a Person who has ceased to serve in the capacity which initially entitled such Person to indemnity under this Section 9.1(b). The rights granted pursuant to this Section 9.1(b) are contract rights, and no amendment, modification or repeal of this Section 9.1(b) will have the effect of limiting or denying any such rights with respect to actions taken or Actions arising prior to any such amendment, modification or repeal. It is expressly acknowledged that the indemnification provided for in this Section 9.1(b) could involve indemnification for negligence or under theories of strict liability. The right to indemnification and advancement of expenses pursuant to this Section 9.1(b) shall be conditioned upon such Person seeking indemnification to enter into a written agreement with the Corporation obligating such Person (i) to provide reasonable assistance to the Corporation, (ii) to not settle any claims related to such indemnification without the Corporation's prior written consent, and (iii) to such other terms which are customary for similar indemnification agreements including the procedure for selecting legal counsel..

(c) The Corporation shall indemnify and advance expenses to an officer, employee or agent of the Corporation (collectively, "***Agent Indemnitees***") to the extent required to do so by any employment or other agreement with the Corporation, the Act, or other applicable laws. Additionally, the Corporation, by adoption of a resolution of the Board of Managers, may indemnify and advance expenses to any Agent Indemnitee to the same extent and subject to the conditions under which it may indemnify and advance expenses to a Person under this Article IX and the Corporation may indemnify and advance expenses to Persons who are not or were not officers, employees or agents of the Corporation but who are or were serving at the request of the Corporation as director, manager, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic limited liability company, corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise against any liability asserted against the Person and incurred by that Person in such a capacity or arising out of the Person's status as such a Person to the same extent that it may indemnify and advance expenses to Managers under this Article IX.

(d) In the event that any Shareholder Indemnitee or the Corporation desires to assert its right to indemnification from a Shareholder Indemnitor, any Manager Indemnitee desires to asset its right to indemnification from the Corporation or any Agent Indemnitee desires to assert its right to indemnification from the Corporation pursuant to this Section 9.1 (the Corporation, such Shareholder Indemnitees, Manager Indemnitees and Agent Indemnitees hereinafter individually and collectively referred to as "**Indemnitees**" as the context requires, and the Corporation and such Shareholder Indemnitors hereinafter individually and collectively referred to as "**Indemnitors**" as the context requires), the Indemnitee will give the Indemnitor prompt notice of any Action giving rise thereto. If the Indemnitor has agreed in writing that it is liable to the Indemnitees under this Shareholders Agreement for at least a substantial portion of the Action (as determined by the Indemnitees, acting reasonably), the Indemnitor shall be entitled to undertake the defense thereof other than as provided in Sections 9.1(g) or 9.1(h). The failure to promptly notify an Indemnitor hereunder shall not relieve the Indemnitor of its obligations hereunder, except to the extent that the Indemnitor is actually prejudiced by such failure.

(e) All Damages against or incurred by: (i) the Corporation and (ii) the Manager Indemnitees and the Agent Indemnitees in respect of which such Manager Indemnitees or Agent Indemnitees are entitled to indemnification from the Corporation, must be satisfied from the assets of the Corporation.

(f) To the extent that proceeds from insurance or other amounts from third parties are available in respect of any Damages or Actions for which the Corporation has indemnification obligations hereunder, the Board of Managers shall seek to have such Damages or Actions paid out of the proceeds of such insurance or other amounts rather than having the Corporation make any payments pursuant to its indemnification obligations contained herein, provided that if such proceeds or other amounts are not readily available, the Board of Managers may cause the Corporation to pay such Damages or Actions in which event the Corporation shall be entitled to reimbursement therefor out of the proceeds of insurance or other amounts when and if obtained. The Board of Managers may (but shall not be obligated to) obtain, at the expense of the Corporation, insurance against any Damages or Actions whether or not the Corporation would, pursuant to this Section 9.1, be required to indemnify any Indemnitee in respect thereof.

(g) An Indemnitee shall not settle or compromise any Action or pay or agree to pay any Damages without the written consent of the Indemnitor unless the Indemnitee agrees in writing to forego any and all claims for indemnification from the Indemnitor with respect to such Action or Damages. However, if the Indemnitor, within a reasonable time after notice of any such Action, fails to defend such Action, the Indemnitee will have the right to undertake the defense, compromise or settlement of such Action on behalf of and for the account and risk of the Indemnitor, subject to the right of the Indemnitor to assume the defense of such Action at any time prior to settlement, compromise or final determination thereof.

(h) If an Indemnitor has undertaken the defense of an Action and:

(i) there is a reasonable expectation that an Action may materially and adversely affect the Indemnitee other than as a result of money damages or other money payments or the Indemnitee or Indemnitees may have legal defences available to it or them that are different from or additional to the defences available to the Indemnitor; or

(ii) the Indemnitor shall not have employed legal counsel that is satisfactory to the Indemnitee, acting reasonably,

the Indemnitee shall have the right, at its own cost and expense, to defend such Action.

(i) The provisions of this Section 9.1 shall survive termination of this Shareholders Agreement, the Withdrawal of any Shareholder or any purchase or Disposition made pursuant hereto with respect to any liability that accrues prior to such Withdrawal, purchase or Disposition.

9.2 Right of Shareholders to Contribution. Except to the extent of a Shareholder's fraud, negligence, wilful misconduct or breach of this Shareholders Agreement or applicable law, if any Shareholder shall be held liable to a Person that is not a Shareholder or Affiliate of any Shareholder for any Damages or Action related to the business of the

Corporation, such Shareholder shall be entitled to contribution from each other Shareholder of each such other Shareholder's pro rata share of such Damages or Action (determined on the basis of the ratio which the Shareholder Interest of such Shareholder as of the date on which the Damages or Action arose, bears to the aggregate Shareholder Interest of all Shareholders on such date). The provisions of this Section 9.2 shall survive termination of this Shareholders Agreement, the Withdrawal of any Shareholder or any purchase or Disposition made pursuant hereto with respect to any liability that accrues prior to such Withdrawal, purchase or Disposition.

9.3 Advance Payment. The right to indemnification conferred in this Article IX includes the right to be paid or reimbursed by the Indemnitor for the reasonable expenses incurred by the Indemnitee who was, is or is threatened to be made a named defendant or respondent in an Action in advance of the final disposition of the Action and without any determination as to the Person's ultimate entitlement to indemnification; *provided, however*, that the payment of such expenses incurred by any such Person in advance of the final disposition of an Action may be made only upon delivery to the Corporation of a written affirmation by such Person of the Person's good-faith belief that the standard of conduct necessary for indemnification under this Article IX is met and a written undertaking, by or on behalf of such Person, to repay all amounts so advanced if it is ultimately determined that such indemnified Person is not entitled to be indemnified under this Article IX or otherwise.

9.4 Appearance of Witness. Notwithstanding any other provision of this Article IX, the Corporation shall pay or reimburse expenses incurred by a Person in connection with an appearance on behalf of the Corporation as a witness or other participation in an Action even though that Person is not a named defendant or respondent in the Action.

9.5 Nonexclusivity of Rights. The right to indemnification and the advancement and payment of expenses conferred in this Article IX is not exclusive of any other right which an Indemnitee indemnified pursuant to this Article IX may have or later acquire under any Law, provision of this Shareholders Agreement, agreement, vote of Managers, or otherwise.

9.6 Insurance. The Corporation may purchase and maintain insurance, at its expense, to protect itself and any Person who is or was serving as a Manager, Director, officer, employee or agent of the Corporation or is or was serving at the request of the Board of Managers as a manager, director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic limited liability company, corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such Person against such expense, liability or loss under this Article IX.

9.7 Shareholder Notification. To the extent required by Law, any indemnification of or advance of expenses to a Person in accordance with this Article IX must be reported in writing to the Shareholders with or before the notice or waiver of notice of the next Shareholders' meeting or with or before the next submission to Shareholders of a

consent to action without a meeting and, in any case, within the twelve (12) month period immediately following the date of the indemnification or advance.

9.8 Savings Clause. If all or any portion of this Article IX is invalidated on any ground by any court of competent jurisdiction, then each Indemnitor will nevertheless indemnify and hold harmless each Indemnitee indemnified pursuant to this Article IX as to costs, charges and expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement with respect to any Action to the full extent permitted by any applicable portion of this Article IX that is not invalidated and to the fullest extent permitted by applicable Law.

ARTICLE X

TAXES

10.1 Tax Returns. The Corporation will cause to be prepared and filed all necessary federal and provincial tax returns for the Corporation, including making the elections described in Section 10.2. Each Shareholder must furnish to the Corporation all pertinent information in its possession relating to Corporation operations that is necessary to enable the Corporation's tax returns to be timely prepared and filed. The Corporation shall deliver a copy of each such return to the Shareholders each year on or before the earlier of (i) July 15 or (ii) thirty (30) days prior to the due date of any such return including extensions, together with such additional information as may be required by the Shareholders in order for the Shareholders to file their individual returns reflecting the Corporation's operations. The Corporation shall bear the costs of the preparation and filing of its returns.

10.2 Tax Elections. Unless otherwise approved by the Board of Managers, the Corporation will make the following elections on the appropriate tax returns:

(a) to adopt the calendar year as the Corporation's fiscal year;

(b) to elect to use the most rapid depreciation, amortization or cost recovery method allowable; and

(c) any other election the Board of Managers may deem appropriate and in the best interests of the Shareholders.

ARTICLE XI

BOOKS, RECORDS, REPORTS, AND BANK ACCOUNTS

11.1 Maintenance of Books.

(a) The Corporation will keep books and records of accounts and will keep minutes of the proceedings of the Board of Managers, the Partnership and each committee of the Board of Managers. The Corporation shall maintain its own books and records separate from the Shareholders. The books of account for the Partnership and the Corporation will be maintained

on the accrual basis in accordance with Required Accounting Practices, consistently applied, and the terms and conditions of this Shareholders Agreement. The calendar year will be the fiscal year of the Corporation unless otherwise decided by the Board of Managers.

(b) The Board of Managers shall implement a policy for accounting and financial controls, annual budgeting, and financial reporting. Such policy for financial controls may include the following components:

(i) Delegations of Authority - such authorities should be in writing and periodically confirmed by the Board of Managers;

(ii) Business Planning and Financial Stewardship - the Board of Managers shall establish a process for the approval of Budgets as well as develop procedures to administer and evaluate performance; and

(iii) Internal Controls - establish a set of internal controls to ensure compliance with generally accepted auditing standards and policies and procedures for joint ventures.

(c) The Shareholders and their agents may, at their own cost and expense, examine, audit and obtain copies of the books, records and accounts of the Corporation, including federal, provincial, and local income tax returns for each year as and when they become available, inspect its properties, or otherwise make reasonable inquiry as to Corporation affairs. Any such inspections must be conducted during the normal business hours of the Corporation. The rights granted to a Shareholder pursuant to this Section 11.1 are expressly subject to compliance by such Shareholder with the safety, security, and confidentiality procedures and guidelines of the Corporation, as such procedures and guidelines may be established from time to time.

11.2 Accounts. The Corporation shall establish and maintain one or more separate bank and investment accounts and arrangements for Corporation funds in the Corporation name with financial institutions and firms that the Board of Managers may from time to time determine. The Corporation shall not commingle the Corporation's funds with the funds of any Shareholder; however, Corporation funds may be invested in a manner the same as or similar to any Shareholder's investment of its funds or investments by its Affiliates.

ARTICLE XII

DISSOLUTION, LIQUIDATION, TERMINATION AND RECONSTITUTION

12.1 Dissolution.

(a) The Corporation will dissolve and must commence winding up and liquidating upon the first to occur of the following (each a "***Dissolution Event***"):

(i) Unanimous Approval to dissolve the Corporation in accordance with Section 8.14(e);

(ii) the sale of all or substantially all of the Property;

(iii) the occurrence of a "Dissolution Event" as that term is defined in either the Partnership Agreement or the Company Agreement;

(iv) a judicial determination that an event has occurred that makes it unlawful, impossible or impracticable to carry on the business of the Corporation; or

(v) any other event of dissolution of the Corporation under applicable law.

(b) Additionally, without limiting anything in Section 12.1(a) above:

(i) If the Project Development Agreement (with such revisions as are approved by the Managers) is not fully executed on or before December 1, 2011, then, any time from the date immediately following that date until the Project Development Agreement is fully executed, a Shareholder may send written notice to the Corporation and the other Shareholders that such Shareholder wishes for the Corporation to dissolve.

(ii) At any time before the Commitment Voting Date, a Shareholder may send written notice to the Corporation and the other Shareholders that such Shareholder wishes for the Corporation to dissolve. For purposes of clarification and without limiting the foregoing, a Shareholder may send written notice to the Corporation and the other Shareholders that such Shareholder wishes for the Corporation to dissolve at any time before a Shareholder has received the necessary internal and other organizational approvals to authorize its respective appointed Manager to vote on a resolution to proceed with the development of the Pipeline System;

The sending of a notice under this Section 12.1(b) will be considered a "***Dissolution Event***" under this Shareholders Agreement.

12.2 Winding Up, Liquidation and Termination. On the occurrence of a Dissolution Event the Board of Managers shall appoint one or more Managers or other Persons to act as liquidator. The Board of Managers will also take appropriate actions under any agreements by which the Partnership is bound including, as appropriate, causing the Partnership to notify the customers under the Precedent Agreements, and Union Gas Limited and St. Clair Pipelines L.P. under the agreements for the purchase of Union Gas Limited's St. Clair pipeline and St. Clair Pipelines L.P.'s St. Clair River crossing pipeline, respectively, that certain conditions precedent under those agreements will not be satisfied. The Person acting as liquidator for the Corporation must also be acting as the liquidator for Dawn Gateway Pipeline Limited Partnership and Dawn Gateway Pipeline, LLC. The liquidator must proceed diligently to wind up the affairs of the Corporation and make final distributions as provided in this Shareholders Agreement and in the Act. The costs of liquidation will be borne as a Corporation expense. Until final distribution, the liquidator will continue to operate the Corporation's Property with all of the power and authority of the Board of Managers. The steps to be accomplished by the liquidator are as follows:

(a) As promptly as possible after dissolution and again after final liquidation, the liquidator must cause a proper accounting to be made by a recognized firm of chartered accountants of the Corporation's assets, liabilities and operations through the last day of the

calendar month in which the dissolution occurs or the final liquidation is completed, where applicable.

(b) The liquidator must cause notice of dissolution to be mailed to each known creditor and claimant against the Corporation.

(c) The liquidator shall, to the extent of Corporation funds available for such purpose, pay, satisfy or discharge all of the debts, liabilities and obligations of the Corporation (including all expenses incurred in liquidation) or otherwise make adequate provision for payment or discharge (including the establishment of a cash escrow fund for contingent liabilities in such amount and for such term as the liquidator may reasonably determine).

(d) All remaining assets of the Corporation will be distributed to the Shareholders as follows:

(i) the liquidator may sell any or all Property, including to Shareholders, and any resulting gain or loss from each sale will be computed and allocated to the Capital Accounts of the Shareholders in accordance with the provisions of Article VI;

(ii) with respect to all Property that has not been sold, the fair market value of that Property will be determined and the Capital Accounts of the Shareholders will be adjusted to reflect the manner in which the unrealized income, gain, loss and deduction inherent in Property that has not been reflected in the Capital Accounts previously would be allocated among the Shareholders if there were a taxable disposition of that Property for the fair market value of that Property on the date of distribution; and

(iii) Property, including cash, will be distributed to the Shareholders, in proportion to the positive Capital Accounts of their Canadian Affiliates as of the date of such distribution, after giving effect to all contributions, distributions and allocations for all periods.

(e) All distributions in kind to the Shareholders must be made subject to the liability of each distributee for costs, expenses and liabilities previously incurred or for which the Corporation has committed prior to the date of termination and those costs, expenses and liabilities will be allocated to the distributee pursuant to this Section 12.2. The distribution of cash or Property to a Shareholder in accordance with the provisions of this Section 12.2 constitutes a complete return to the Shareholder of its capital contributions and a complete distribution to the Shareholder of its Shareholder Interest and all of the Property. To the extent that a Shareholder returns funds to the Corporation, it has no claim against any other Shareholder for those funds.

12.3 **Cancellation**. Upon completion of the distribution of Corporation assets as provided herein, the Corporation is dissolved, and the Board of Managers (or such other Person or Persons as the Act may require or permit) shall file or cancel any filings as may be necessary to dissolve the Corporation and take such other actions as may be necessary to terminate the existence of the Corporation.

12.4 Reconstitution. If it is determined, by a court of competent jurisdiction, that the Corporation has dissolved absent the occurrence of a Dissolution Event, then, within the Reconstitution Period, all of the Non-Adverse Shareholders may, if permitted by applicable Law, elect to reconstitute the Corporation and continue its business on the same terms and conditions set forth in this Shareholders Agreement by forming a new corporation on terms identical to those set forth in this Shareholders Agreement. Unless such an election is made within the Reconstitution Period, the Corporation will liquidate and wind up its affairs in accordance with Section 12.2. If such an election is made within the Reconstitution Period, then:

(a) the reconstituted corporation will continue until the occurrence of a Dissolution Event as provided in Section 12.1; and

(b) unless otherwise agreed to by all of the Shareholders, this Shareholders Agreement will automatically constitute the shareholders agreement of such new corporation. All of the assets and liabilities of the dissolved Corporation will be deemed to have been automatically assigned, assumed, conveyed and transferred to the new corporation. No bond, collateral, assumption or release of any Shareholder's or the Corporation's liabilities will be required.

ARTICLE XIII

DISPUTE RESOLUTION

13.1 Material Breaches. In the event that a Shareholder has committed a breach of any material covenant contained in this Shareholders Agreement or defaulted on any material obligation provided for in this Shareholders Agreement (excluding a Capital Contribution Failure of such Shareholder's Canadian Affiliate) written notice of such breach shall be provided to such Shareholder by the Corporation or any other Shareholder. Such defaulting Shareholder shall have the right to cure such breach or default within thirty (30) days of such notice; *provided, however*, if such breach or default is of such a nature that it cannot reasonably be cured within such thirty (30) day period, but is curable and such Shareholder in good faith begins efforts to cure it within such thirty (30) day period and continues diligently to do so, such Shareholder will have a reasonable additional period thereafter to effect the cure (which period may not exceed an additional ninety (90) days unless otherwise approved by the Board of Managers).

13.2 Disputes. This Article XIII shall apply to (a) any dispute, claim, or controversy arising out of or relating to this Shareholders Agreement (whether arising in contract, tort or otherwise, and whether arising at law or in equity), or the performance, breach, validity, interpretation, application, or termination thereof; (b) any dispute regarding the construction, interpretation, performance, validity or enforceability of any provision of this Shareholders Agreement or whether a Shareholder is in compliance with, or breach of, any provisions of this Shareholders Agreement, and (c) the applicability of this Article XIII to a particular dispute (collectively, a "***Dispute***"). Except as otherwise expressly provided in Section 13.4 of this Agreement, arbitration shall be the exclusive remedy for Dispute resolution. Notwithstanding the foregoing, this Article XIII shall not apply to any matters

that, pursuant to the provisions of this Shareholders Agreement, are to be resolved by a vote, approval, consent, determination or other decision of the Shareholders, Directors or Managers; *provided, however*, that a vote, approval, consent, determination or other decision must, under the terms of this Shareholders Agreement, be made (or withhold) in accordance with a standard other than Sole Discretion (such as a reasonableness standard), then the issue of whether such standard has been satisfied may be a Dispute to which this Article XIII applies

13.3 Negotiations to Resolve Disputes. The Shareholders will endeavor to resolve any Disputes in a prompt and equitable manner. In the event a Dispute arises which the Shareholders are unable to resolve, the Shareholders will, prior to the initiation of any claim or cause of action, each appoint an officer or representative that has settlement authority to meet (in person or by telephone conference) in an effort to resolve the Dispute equitably, in good faith and as quickly as is reasonably possible. No settlement will be binding until reduced to writing and signed by the Shareholders. The responsibility of these representatives will be to resolve the matter or propose a method of resolving the matter, if possible. If the Dispute is not settled or resolved by the earlier of the date that is fifteen (15) Business Days following the first meeting of the representatives, or the date on which the representatives unanimously agree that a resolution of the Dispute is not possible, then the Shareholders may proceed as set forth in Section 13.5.

13.4 Right to Seek Equitable Relief. Nothing in this Article XIII or any other provision of this Shareholders Agreement will prevent a Shareholder from seeking equitable relief (including injunctive relief or specific performance) in any court of Canada (or any province thereof) if that Shareholder reasonably determines that its rights will be prejudiced by the amount of time required to follow the other dispute procedures described in this Shareholders Agreement.

13.5 Arbitration.

(a) Any Dispute not resolved pursuant to Section 13.3 shall be finally resolved by binding arbitration initiated upon the written notice (an "***Arbitration Notice***") of any Shareholder. The arbitration shall be administered by the ADR Institute of Canada (the "***ADR Institute***") and shall be conducted in accordance with this Shareholders Agreement and the then current National Arbitration Rules of the ADR Institute (the "***ADR Rules***").

(b) The seat of the arbitration shall be Toronto, Ontario. The arbitrators shall determine the matters at issue in the Dispute in accordance with the substantive Law of the Province of Ontario, excluding the conflicts provisions of such Law.

(c) The Dispute shall be heard and determined by three (3) arbitrators.

(d) Each party shall, within thirty (30) days of the Arbitration Notice, select one person to act as an arbitrator. The two arbitrators so selected shall, within fifteen (15) days of their appointment, select a third arbitrator who shall serve as the chair of the Arbitral Panel. The two party selected arbitrators will serve in a non-neutral capacity. The arbitrators selected

shall be qualified by education, training, and experience to hear and determine matters in the nature of the Dispute.

(e) If a Shareholder fails to appoint an arbitrator as provided herein, or if the arbitrators selected by the Shareholders are unable or fail to agree upon a third arbitrator within fifteen (15) days of their appointment, then that arbitrator shall be selected and appointed in accordance with the ADR Rules.

(f) Should an arbitrator die, resign, refuse to act, or become incapable of performing his or her functions as an arbitrator, the ADR Institute may declare a vacancy on the panel. The vacancy shall be filled by the method by which that arbitrator was originally appointed.

(g) The arbitrators shall be bound by and shall follow the then current ADR Institute Code of Ethics.

(h) As soon as practicable, and in any event within thirty (30) days after the panel has been duly constituted, the claimant shall deliver to the respondent (with copies to each arbitrator) its statement of case, containing particulars of its claims and written submissions in support thereof, together with any documents relied upon by the claimant. Within thirty (30) days of its receipt of the claimant's statement of case, the respondent shall deliver to the claimant (with copies to each arbitrator) a statement of case in answer, together with any counterclaim and any documents relied upon by the respondent. Within thirty (30) days of the receipt by the claimant of any statement of counterclaim by the respondent, the claimant shall deliver to the respondent (with copies to each arbitrator) a reply to the counterclaim together with any additional documents relied upon by the claimant, if any, at which time the pleadings shall be deemed to be closed unless the panel otherwise directs.

(i) The panel may in its discretion hold a hearing and make an award in relation to any preliminary issue at the request of either Shareholder and shall do so at the joint request of both Shareholders. The panel shall hold a hearing, or hearings, relating to substantive issues unless the Shareholders otherwise agree in writing. Where no formal hearing is held, the panel shall only consider the pleadings and the documentary evidence as submitted by the Shareholders.

(j) The arbitrators shall apply this Shareholders Agreement as written and according to its plain language in all respects, and shall in no circumstances have authority to add, delete, modify, or deviate from any of the terms and conditions of this Shareholders Agreement as written, nor shall it/they have any authority to cancel or void this Shareholders Agreement, in whole or in part, or to extend the term of this Shareholders Agreement, other than as may be expressly provided herein. The arbitrators shall have the power to grant injunctive relief and enforce specific performance.

(k) All awards shall be in writing and shall state the reasoning upon which the award rests including a statement of facts and conclusions of law. Any award shall be made and signed by at least a majority of the arbitrators. The decision of the arbitrators shall be final, non-appealable and binding upon the Shareholders and may be enforced in any court of competent jurisdiction. The responsibility for paying the costs and expenses of the arbitration, including

compensation to the arbitrators and any experts retained by the arbitrators, shall be allocated among the disputing Shareholders in a manner determined by the arbitrators to be fair and reasonable under the circumstances. Each disputing Shareholder shall be responsible for the fees and expenses of its respective counsel, consultants and witnesses, unless the arbitrators determine that compelling reasons exist for allocating all or a portion of such costs and expenses to one or more other disputing Shareholders.

(l) Unless the Shareholders agree otherwise, the Shareholders, the arbitrators, and the ADR Institute shall treat the dispute resolution proceedings provided for herein, any related disclosures, and the decisions of the arbitrators, as confidential, except in connection with judicial proceedings ancillary to the dispute resolution proceedings and as otherwise required by Law to protect the legal rights of a party

(m) Notwithstanding anything to the contrary in this Article XIII, if, in connection with any Dispute, there exists a related or similar dispute under or relating to the Company Agreement and/or the Partnership Agreement, then the Disputing parties and the parties to such dispute under the Company Agreement and/or the Partnership Agreement shall coordinate their efforts to resolve such disputes and, to the greatest extent possible, any arbitration relating to such disputes shall be conducted by the same arbitrators in the same hearings.

13.6 Survival. The terms and conditions of this Article XIII shall survive the termination or expiration of this Shareholders Agreement.

ARTICLE XIV

GENERAL PROVISIONS

14.1 Entire Agreement. This Shareholders Agreement constitutes the entire agreement of the Shareholders and their Affiliates relating to the Corporation and the transactions contemplated hereby and supersedes all prior contracts or agreements with respect to the Corporation and the transactions contemplated hereby, whether oral or written.

14.2 Payments and Offset. Whenever the Corporation is to pay any sum to any Shareholder, any amounts that Shareholder owes the Corporation may be deducted from that sum before payment. If any payment due under this Shareholders Agreement (excluding a Capital Contribution) is not made when due, it will accrue interest at the Base Interest Rate.

14.3 Notices. Except as expressly set forth to the contrary in this Shareholders Agreement, all notices, requests, or consents provided for or permitted to be given under this Shareholders Agreement shall be in writing and shall be delivered by hand or sent by facsimile or sent, postage prepaid, by registered, certified or express mail, or by reputable overnight courier service and shall be deemed given when so delivered by hand, telecopied (with written confirmation of sending), or if mailed, three (3) days after mailing (one (1) Business Day in the case of express mail or overnight courier service). All notices, requests and consents to be sent to a Shareholder must be sent to or made at the addresses given for that Shareholder listed on Exhibit 14.3, or such other address as that Shareholder may specify by notice to the other Shareholders. Whenever any notice is

required to be given by Law or this Shareholders Agreement, a written waiver thereof, signed by the Person entitled to notice, whether before or after the time stated therein, is deemed equivalent to the giving of such notice.

14.4 Effect of Waiver or Consent. A waiver or consent, express or implied, to or of any breach or default by any Person in the performance by that Person of its obligations with respect to the Corporation is not a consent or waiver to or of any other breach or default in the performance by that Person of the same or any other obligations of that Person with respect to the Corporation. Failure of any Person to complain of any act of any other Person or to declare such other Person in default with respect to the Corporation, irrespective of how long that failure continues, does not constitute a waiver by the Corporation of its rights with respect to that default until the applicable statute-of-limitations period has run.

14.5 Amendment or Modification. This Shareholders Agreement (including this Section 14.5) may be amended or modified from time to time only upon the unanimous written approval of the Non-Adverse Shareholders; *provided, however*, that (a) an amendment or modification reducing a Shareholder's Shareholder Interest (other than to reflect changes otherwise provided by this Shareholders Agreement) is effective only with that Shareholder's written consent, (b) an amendment or modification reducing the required Shareholder Interest or other measure for any consent or vote in this Shareholders Agreement is effective only with the consent or vote of the Shareholders, if applicable, having the Shareholder Interest or other voting measure required, and (c) amendments of the type described in Section 3.4 may be adopted as provided in that section.

14.6 Binding Effect. Subject to the restrictions on Dispositions and Encumbrances set forth in this Shareholders Agreement, this Shareholders Agreement is binding on and inures to the benefit of the Shareholders and their respective heirs, legal representatives, successors and assigns. The executors, administrators or personal representatives of a Shareholder must execute and deliver any and all instruments and documents and do any and all acts and things necessary and appropriate to carry out the terms and provisions of this Shareholders Agreement.

14.7 Governing Law. THIS COMPANY AGREEMENT IS GOVERNED BY AND IS TO BE CONSTRUED IN ACCORDANCE WITH THE LAW OF THE PROVINCE OF ONTARIO, EXCLUDING ITS CONFLICTS-OF-LAW RULES OR PRINCIPLES THAT MIGHT REFER THE GOVERNANCE OR THE CONSTRUCTION OF THIS AGREEMENT TO THE LAW OF ANOTHER JURISDICTION. In the event of a direct conflict between the provisions of this Shareholders Agreement and any provision of any mandatory, non-waivable provision of the Act, the applicable provision of the Act will control. If any provision of the Act provides that it may be varied or superseded by agreement of the Shareholders, such provision shall be deemed superseded and waived in its entirety if this Shareholders Agreement contains a provision addressing the same issue or subject matter.

14.8 Severability. If any provision or application of this Shareholders Agreement to any Person or circumstance is held invalid or unenforceable to any extent, the remainder of this Shareholders Agreement and the application of the provision to other Persons or

circumstances will not be affected and that provision will be enforced to the greatest extent permitted by Law. The preceding sentence of this Section 14.8 should not be enforced if the consequence of enforcing the remainder of this Shareholders Agreement without such illegal or invalid term or provision would be to cause any Shareholder to lose the material benefit of its economic bargain.

14.9 Further Assurances. In connection with this Shareholders Agreement and transactions contemplated in this Shareholders Agreement, each Shareholder must execute and deliver any additional documents and instruments and perform any additional acts that may be necessary or appropriate to effectuate and perform the provisions of this Shareholders Agreement and those transactions.

14.10 Waiver of Certain Rights. Each Shareholder irrevocably waives any right it may have to maintain any action for dissolution of the Corporation or for partition of the Property of the Corporation.

14.11 Notice to Shareholders of Provisions of this Shareholders Agreement. By executing this Shareholders Agreement, each Shareholder acknowledges that it has actual notice of all of the provisions of this Shareholders Agreement, including the restrictions on the Disposition and Encumbrance of Shareholder Interests set forth in Article III. Each Shareholder hereby agrees that this Shareholders Agreement constitutes adequate notice of all such provisions and each Shareholder waives any requirement of any further notice.

14.12 Headings. The article, section and paragraph headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provisions of this Shareholders Agreement.

14.13 Specific Performance. Without limiting any other provisions in this Shareholders Agreement, each Shareholder agrees with the other Shareholders that the other Shareholders would be irreparably damaged if any of the provisions of this Shareholders Agreement, including Sections 3.6, 3.7 and 3.10, are not performed in accordance with their specific terms and that monetary damages would not provide an adequate remedy in such event.

14.14 Counterparts. This Shareholders Agreement may be executed in multiple counterparts (including by means of facsimile signature pages), each of which shall be deemed an original and all of which shall constitute one and the same instrument.

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IN WITNESS WHEREOF, the Initial Shareholders and the Corporation have executed this Shareholders Agreement as of the date first set forth above.

SHAREHOLDER:

DTE DAWN GATEWAY CANADA INC.

By: _____
Peter Cianci, President

SIGNATURE PAGE TO SHAREHOLDERS AGREEMENT

IN WITNESS WHEREOF, the Initial Shareholders and the Corporation have executed this Shareholders Agreement as of the date first set forth above.

SHAREHOLDER:

UEI HOLDINGS (NEW BRUNSWICK) INC.

By: _____
Stephen W. Baker, its Authorized Signatory

SIGNATURE PAGE TO SHAREHOLDERS AGREEMENT

IN WITNESS WHEREOF, the Initial Shareholders and the Corporation have executed this Shareholders Agreement as of the date first set forth above.

CORPORATION:

DAWN GATEWAY PIPELINE GENERAL PARTNER INC.

By: Peter Cianci
Peter Cianci, its Co-President

By: _____
Stephen W. Baker, its Co-President

IN WITNESS WHEREOF, the Initial Shareholders and the Corporation have executed this Shareholders Agreement as of the date first set forth above.

CORPORATION:

DAWN GATEWAY PIPELINE GENERAL PARTNER INC.

By:_____
Peter Cianci, its Co-President

By:_____
Stephen W. Baker, its Co-President

EXHIBIT 1.01A

PARENTS OF SHAREHOLDERS

SHAREHOLDER	*PARENT OF MEMBER*
DTE Dawn Gateway Canada Inc.	DTE Pipeline Company
UEI Holdings (New Brunswick) Inc.	Spectra Energy Corp.

EXHIBIT 2.1

INITIAL SHAREHOLDERS
DTE Dawn Gateway Canada Inc.
UEI Holdings (New Brunswick) Inc.

EXHIBIT 3.1

SHAREHOLDER INTEREST

SHAREHOLDER	VOTING INTEREST
DTE Dawn Gateway Canada Inc.	50.00%
UEI Holdings (New Brunswick) Inc.	50.00%

EXHIBIT 4.1(c)

EXAMPLE OF SYSTEM EXPANSION ADJUSTMENTS

INITIAL PROJECT

Dawn Gateway Pipeline, LLC ("LLC") initial capital	$ [redacted]
Partnership initial capital	$ [redacted]

Intial Project

Capital Accounts contain the capital invested by each Member/Partner. Distribution Allocation is derived by taking the Capital Account of each Member divided by the total Capital Account for all Members. This is calculated separately for the LLC and Partnership. Voting Interest / Shareholder Interest is derived by taking the total Capital Account (LLC plus Partnership) for each Member/Partner divided by the total Capital Account (LLC plus Partnership) for all Members/Partners. Voting Interest / Shareholder interest is calculated in total and then applied to both the LLC and Partnership.

LLC

Member	Capital Account	Distribution Allocation	Voting Interest
A	[redacted]	50%	50%
B	[redacted]	50%	50%
	[redacted]	100%	100%

Partnership

Partner	Capital Account	Distribution Allocation	Shareholder Interest
A	[redacted]	50%	50%
B	[redacted]	50%	50%
	[redacted]	100%	100%

Member	Total Capital Account	Voting Interest / Shareholder Interest
A	[redacted]	50%
B	[redacted]	50%
	[redacted]	100%

SYSTEM EXPANSION SCENARIO FOR EXPANSION IN U.S.

LLC expansion capital	$ [redacted]
Partnership expansion capital	$ -
Fair market value of current Capital Account	[redacted]

After an Expansion

Current Capital Account results from the initial Capital Account adjusted for items contained in Section 4.5 of this Agreement. Fair Market Value ("FMV") Capital Account is fair market value of the assets prior to a System Expansion. Total Capital Account (LLC or Partnership) reflects the FMV Capital Account plus the expansion capital contributed by the Participating Member(s)/Partner(s). Distribution Allocation is recalculated based on the total Capital Account (LLC or Partnership) of each individual company (LLC or Partnership) Voting Interest/ Shareholder Interest is recalculated based on the total Capital Account (LLC plus Partnership) and the same percentage is applied to each individual company (LLC & Partnership) so voting remains constant.

LLC

Member	Current Capital Account	FMV Capital Account	Add Capital	Total Capital Account (LLC)	Distribution Allocation	Voting Interest
A	[redacted]	[redacted]	[redacted]	[redacted]	94%	68%
B	[redacted]	[redacted]	[redacted]	[redacted]	6%	32%
	[redacted]	[redacted]	[redacted]	[redacted]	100%	100%

Partnership

Member	Current Capital Account	FMV Capital Account	Add Capital	Total Capital Account (LP)	Distribution Allocation	Shareholder Interest
A	[redacted]	[redacted]	[redacted]	[redacted]	50%	68%
B	[redacted]	[redacted]	[redacted]	[redacted]	50%	32%
	[redacted]	[redacted]	[redacted]	[redacted]	100%	100%

Member	Total Capital Account	Voting Interest / Shareholder Interest
A	[redacted]	68%
B	[redacted]	32%
	[redacted]	100%

EXHIBIT 8.3(b)

MATTERS REQUIRING SUPER MAJORITY APPROVAL

The following actions of the Board of Managers will require a Super Majority Approval:

1. Redemption of a Shareholder Interest pursuant to Section 3.7 or of a Partnership Interest pursuant to Section 3.7 of the Partnership Agreement;

2. Approval/Modifications of Budgets pursuant to Article IV or pursuant to Section 4.6 of the Partnership Agreement, *provided however* that a request for the Corporation's marketing provider to conduct an open season for a modification may be approved by one or more Non-Adverse Managers whose Appointing Shareholders hold Shareholder Interests the sum of which equal at least 40% of the total sum of the Shareholder Interests of all Shareholders who are Non-Adverse Shareholders if the approving Non-Adverse Managers reasonably believe that such modification, when completed, will constitute a System Expansion;

3. Creation of any subsidiaries of the Corporation;

4. Entering into contracts or commitments to expend $50,000 or more prior to commencement of construction;

5. Change of authority or responsibility of Operator under an Operations and Maintenance Agreement or of Project Developer under a Project Development Agreement;

6. Approval of timing and amounts of distributions made by the Corporation to the Partners or the Shareholders;

7. Adoption or amendment to any Corporation or Partnership Policies or Procedures;

8. Approval of any delegation of authority to any officers of the Corporation or any committee of the Board of Managers (a "***Delegation Resolution***");

9. Except as set forth in a Delegation Resolution, the approval of or modification or amendment to any contract or transaction between the Corporation, on behalf of the Partnership or otherwise, or its Affiliates, and any Manager, Shareholder or their respective Affiliates other than services provided pursuant to a tariff; the Board of Managers voting for such approval shall exclude any Manager or any Manager whose Appointing Shareholder or any of its Affiliates is a party to such contract or transaction with the Corporation;

10. Except as set forth in a Delegation Resolution, settlement of any claims or litigation against the Corporation or the Partnership in excess of $50,000;

11. Except as set forth in a Delegation Resolution, approval of any borrowing or lending arrangement by the Corporation or the Partnership or the form and content of any commitment for long term lease of real or personal property;

12. Approval of policy guidelines for investment of surplus Corporation or Partnership funds;

13. Approval of insurance coverages and policies including carriers, deductible amounts and other material terms and conditions; and

14. Approval to capitalize any expenditure not otherwise required to be capitalized pursuant to the Tax Act;

15. Determinations of the Board of Managers pursuant to the Shareholders Agreement or the Partnership Agreement relating to Value.

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EXHIBIT 8.3(c)

MATTERS REQUIRING UNANIMOUS APPROVAL

The following actions of the Board of Managers will require a Unanimous Approval:

1. Dissolution of the Corporation pursuant to Section 12.1(a);

2. Approval on the Disposition or Encumbrance of Shareholder Interests pursuant to Section 3.3 or Partnership Interests pursuant to Section 3.3 of the Partnership Agreement;

3. Approval of Additional Shareholders pursuant to Section 3.4 or additional Partners pursuant to Section 3.4 of the Partnership Agreement;

4. Approval for the sale, lease or other disposition of (i) assets in excess of $1 million in gross fair market value or (ii) all or substantially all of the assets of the Corporation;

5. Any sale, merger, reorganization, consolidation or similar restructuring of the Corporation;

6. Authorization for any Partner to contribute non cash property in lieu of cash as a Capital Contribution under the Partnership Agreement;

7. Modify timing or type of notice required to conduct a Board of Managers meeting;

8. Tax Elections pursuant to Section 10.2 (other than elections made per Item # 15 of Exhibit 8.3(b);

9. Change in selection of the Corporation's or the Partnership's fiscal year pursuant to Section 11.1(a);

10. Entering into any futures, swap or other hedging arrangements of any type, or financial derivative instruments or agreements of any type;

11. Any guaranty (or other obligations that, in economic effect, are substantially equivalent to a guaranty) of any amount owed by or any obligation of any person other than a Person wholly owned by the Corporation;

12. Voting at a meeting of the Board of Managers on a matter not on the agenda;

13. Pledging, mortgaging, or granting a security interest in the property or assets of the Corporation or the Partnership other than: purchase money security interests and other liens created or existing at the time of acquisition of an asset; and materialmen's,

mechanics', contractors', operators', tax and similar liens or charges arising in the ordinary course of business or by operation of Law;

14. Determinations of the Board of Managers concerning indemnification pursuant to Article IX or pursuant to Article IX of the Partnership Agreement;

15. Removing an Operator or Project Developer if the Operator or Project Developer is a Shareholder or Affiliate thereof;

16. Selecting and appointing a successor Operator or Project Developer if the Operator or Project Developer is a Shareholder or Affiliate thereof;

17. Any amendment or restatement of this Shareholders Agreement;

18. Carrying on the Corporation's or the Partnership's business in any jurisdiction outside of the Province of Ontario;

19. Creation of any committees of the Board of Managers;

20. Waiving the requirement that any transportation agreement relating to the expanded capacity created by a modification, extension, improvement, expansion or increased capacity of the Pipeline System be in accordance with terms and services of any and all applicable regulatory tariff(s);

21. Approval of the form and content of any commitment for long term financing (excluding the long term lease of real or personal property);

22. Filing any rate cases or settlement of any regulatory proceedings and acceptance of the final order arising out of such rate cases or settlement; *provided however* that for any such rate cases, settlements or final orders relating to a System Expansion, "Unanimous Approval" means the approval of all Non-Adverse Managers appointed by Shareholders whose Affiliates are "Participating Partners" as such term is defined in the Partnership Agreement; and

23. Approving a System Expansion, *provided however* that no Manager may unreasonably decided to vote not to approve a System Expansion.

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EXHIBIT 8.4(b)

INITIAL MANAGERS

Initial Manager	Appointing Shareholder
Peter Cianci	DTE Dawn Gateway Canada Inc.
Stephen W. Baker	UEI Holdings (New Brunswick) Inc.

Exhibit 14.3
Addresses for Notices

SHAREHOLDER	ADDRESS
UEI Holdings (New Brunswick) Inc.	**UEI Holdings (New Brunswick) Inc.** c/o Union Gas Limited 50 Keil Drive North Chatham, ON L7M 5M1 Attn: Assistant General Counsel Fax: (519) 436.5218
DTE Dawn Gateway Canada Inc.	**DTE Dawn Gateway Canada Inc.** c/o DTE Pipeline Company One Energy Plaza Suite 2084 WCB Detroit, Michigan 48226 Attn: General Counsel *Fax: (313) 235.6450*

CORPORATION	ADDRESS
Dawn Gateway Pipeline General Partner Inc.	To each of the following: **Dawn Gateway Pipeline General Partner Inc.** c/o Union Gas Limited 50 Keil Drive North Chatham, ON L7M 5M1 Attn: Stephen W. Baker Fax: (519) 436.5218 **Dawn Gateway Pipeline General Partner Inc.** c/o DTE Pipeline Company One Energy Plaza Suite 2084 WCB Detroit, Michigan 48226 Attn: Peter Cianci Fax: (313) 235.6450

LIMITED PARTNERSHIP AGREEMENT

OF

DAWN GATEWAY PIPELINE LIMITED PARTNERSHIP

An Ontario Limited Partnership

LIMITED PARTNERSHIP AGREEMENT
OF
DAWN GATEWAY PIPELINE LIMITED PARTNERSHIP
An Ontario Limited Partnership

This LIMITED PARTNERSHIP AGREEMENT (the "***Limited Partnership Agreement***") of Dawn Gateway Pipeline Limited Partnership (the "***Partnership***") is made and entered into as of May1, 2009 by and among the Initial Partners (defined below).

PREAMBLE

For and in consideration of the mutual covenants and agreements contained in this Limited Partnership Agreement and for other good and valuable consideration, the full receipt and sufficiency of which is expressly acknowledged by the parties, the parties agree as follows:

ARTICLE I

DEFINITIONS AND CONSTRUCTION

1.1 **Definitions**. As used in this Limited Partnership Agreement, the following capitalized terms have the following meanings when capitalized in this Limited Partnership Agreement:

"***Act***" means the *Limited Partnerships Act* (Ontario), and any successor statute, as amended from time to time.

"***Action***" means any action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative.

"***ADR Institute***" has the meaning set forth in Section 13.5(a).

"***ADR Rules***" has the meaning set forth in Section 13.5(a).

"***Adverse Act***" means, with respect to any Limited Partner, any of the following and, with respect to the General Partner, subparagraphs (b), (c) and (f) of the following:

(a) A failure of such Limited Partner to make by the Contribution Date any Capital Contribution required pursuant to any provision of this Limited Partnership Agreement;

(b) In the event such Partner commits a breach of any material covenant contained in this Limited Partnership Agreement or defaults on any material obligation provided for in this Limited Partnership Agreement (excluding a Capital Contribution Failure) and such breach or default continues beyond the notice and right to cure period set forth in Section 13.1; *provided, however*, that if within thirty (30) days after written notice of such breach or default has been given to such Partner, such Partner delivers a Contest Notice to the Partnership and each other Partner that it contests such notice of

breach or default, then such breach or default will not constitute an Adverse Act unless and until (and assuming that such breach or default has not theretofore been cured in full and that any applicable grace period has expired) there is a Final Determination that such Partner's actions or failures to act constituted such a breach or default;

(c) A Disposition or Encumbrance of all or any portion of such Partner's Partnership Interest except as expressly permitted or required by this Limited Partnership Agreement;

(d) A breach of any material covenant of the Company Agreement or the Shareholders Agreement, respectively, by any of such Limited Partner's applicable Canadian Affiliates or U.S. Affiliates, where such breach continues beyond the applicable cure period, if any, as set forth in the Company Agreement or Shareholders Agreement, as applicable, or the commission of an "Adverse Act" under and as defined in the Company Agreement or Shareholders Agreement, as applicable.

(e) Any dissolution or liquidation of such Limited Partner or the taking of any action by its directors, majority stockholder, or Parent looking to the dissolution or liquidation of such Limited Partner, unless substantially all assets of such Limited Partner are transferred or are to be transferred to a Wholly-Owned Affiliate of such Limited Partner; or

(f) The Bankruptcy of such Partner.

"***Adverse Partner***" means any Limited Partner with respect to whom an Adverse Act has occurred and is continuing.

"***Affiliate***" means, with respect to any Person, (a) each Person that such Person Controls; (b) each Person that Controls such Person, including, in the case of a Partner, such Partner's Parent; and (c) each Person that is under common Control with such Person, including, in the case of a Partner, each Person that is Controlled by such Partner's Parent; *provided, however*, that no Limited Partner shall be considered an Affiliate of the Partnership and vice versa and no Limited Partner shall be considered an Affiliate of the General Partner and vice versa.

"***Allocation Year***" means any twelve (12) month period commencing on January 1 and ending on December 31 or any portion of such twelve (12) month period for which the Partnership is required to allocate Profits, Losses and other items of Partnership income, gain, loss or deduction pursuant to Article VI.

"***Appraiser***" has the meaning set forth in Section 5.3(c).

"***Arbitration Notice***" has the meaning set forth in Section 13.5(a).

"***Bankruptcy***" means, with respect to any Person:

(a) an inability generally to pay its debts as such debts become due;

(b) an admission in writing that it is unable to pay its debts generally;

(c) the making of a general assignment for the benefit of creditors;

(d) the filing of any petition or answer seeking to adjudicate itself as bankrupt or insolvent, or seeking for itself any liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of such Person or its debts under any Law relating to bankruptcy, insolvency or, reorganization or relief of debtors;

(e) seeking, consenting to, or acquiescing in the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for such Person or for any substantial part of its property;

(f) the taking of any action to authorize any of the actions set forth above;

(g) the entering of an order for relief or approving a petition for relief or reorganization or any other petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or other similar relief, without the consent or acquiescence of such Person, under any present or future bankruptcy, insolvency or similar Law, or the filing of any such petition against such Person which petition is not dismissed within ninety (90) days; or

(h) the entering of an order, without the consent or acquiescence of such Person, appointing a trustee, custodian, receiver or liquidator of such Person or of all or any substantial part of the property of such Person which order is not dismissed within ninety (90) days.

"***Base Interest Rate***" means a rate per annum equal to the lesser of:

(a) two percent (2%) plus the Prime Rate, compounded monthly; or

(b) the maximum rate permitted by applicable Law.

"***Board of Managers***" has the meaning set forth in the Shareholders Agreement.

"***Bona Fide Offer***" means an offer presented to a Partner and its Canadian Affiliate or the liquidator in writing containing sufficiently detailed terms and conditions that, if the offer is accepted by that Partner and its Canadian Affiliate or the liquidator, the respective parties will be able to consummate the transaction described in such offer, subject to its terms and conditions, without any additional terms or negotiations.

"***Budget***" means a budget for anticipated operating expenses and capital expenditures for the Partnership as approved by the Board of Managers.

"***Business Day***" means any day other than Saturday, Sunday or any holiday on which national banks in the Province of Ontario are authorized to close.

"***Buy-Sell Price***" has the meaning set forth in Section 5.2(a)(i).

"***Canadian Affiliate***" means, with respect to any Limited Partner, the Wholly-Owned Affiliate of such Limited Partner that holds an ownership interest in the General Partner.

"***Canadian Affiliate Ownership Interest***" has the meaning given the term "Shareholder Interest" in the Shareholders Agreement.

"***Capital Account***" means, with respect to any Partner, the memo account maintained for such Partner in accordance with Section 4.5 which is adjusted from time to time in accordance with this Limited Partnership Agreement.

"***Capital Contribution***" means, with respect to any Partner, the amount of money and the Value of any property other than money (net of any liabilities assumed or taken subject to) contributed to the Partnership with respect to the Partnership Interests held or purchased by such Partner, including Initial Capital Contributions.

"***Capital Contribution Failure***" means an Adverse Act pursuant to subparagraph (a) of the definition of Adverse Act.

"***Change in Control Event***" means any of the following:

(a) the Disposition of a "controlling interest" in a Partner to a Person that is not a Wholly-Owned Affiliate of such Partner; *provided, however*, that "Change in Control Event" shall not include a Disposition of the capital stock or equity interests of the Parent of such Partner or any Person that Controls the Parent of such Partner. For purposes of this definition a "controlling interest" shall mean (i) the possession, directly or indirectly or through one or more intermediaries, of more than fifty percent (50%) of the outstanding voting securities of or other ownership interests in a Partner; or (ii) the power to direct or cause the direction of the management policies of a Partner, whether through ownership of stock, as a general partner or trustee, by contract or otherwise;

(b) any reorganization, liquidation or consolidation of a Partner, or any merger or other business combination of a Partner with any other Person, other than any such merger or other business combination that would result in the voting securities of such Partner outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than fifty percent (50%) of the total voting power represented by the voting securities of the Partner or such surviving entity outstanding immediately after such transaction; *provided, however*, a transaction shall not constitute a Change in Control Event if its sole purpose is to change the province of the Partner's incorporation/formation; or

(c) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) by a Partner of all, or substantially all, of its assets to a Person that is not a Wholly-Owned Affiliate of such Partner.

"***Commencement Date***" means the date on which the Partnership commences commercial operation of the Pipeline System.

"***Commitment Voting Date***" has the meaning set forth in Section 3.14(b).

"***Company Agreement*** means the company agreement of Dawn Gateway Pipeline, LLC.

"***Complete Control***" means the possession, directly or indirectly, through one or more intermediaries, of both of the following:

(a) (i) in the case of a corporation, all of the outstanding voting securities thereof; (ii) in the case of a limited liability company, partnership, limited partnership or venture, the right to all of the distributions therefrom (including liquidating distributions); (iii) in the case of a trust or estate, including a business trust, all of the beneficial interest therein; and (iv) in the case of any other entity, all of the economic or beneficial interest therein; and

(b) in the case of any entity, the power and authority to completely control the management of the entity.

"***Confidential Information***" has the meaning set forth in Section 3.10(b).

"***Contest Notice***" means a written notice from a Limited Partner to the other Limited Partners providing that the Limited Partner contests a written notice that it has committed a material breach or default under this Limited Partnership Agreement pursuant to subsection (b) of the definition of "*Adverse Act*".

"***Contribution Date***" means a date fixed by the Partnership, which date may not be earlier than the fifteenth (15th) Business Day following a Limited Partner's receipt of a notice requiring it to make a Capital Contribution.

"***Control***" means the possession, directly or indirectly, through one or more intermediaries, of either of the following:

(a) (i) in the case of a corporation, more than 50% of the outstanding voting securities thereof; (ii) in the case of a limited liability company, limited liability partnership, partnership, limited partnership or venture, the right to more than 50% of the distributions therefrom (including liquidating distributions); (iii) in the case of a trust or estate, including a business trust, more than 50% of the beneficial interest therein; and (iv) in the case of any other entity, more than 50% of the economic or beneficial interest therein; or

(b) in the case of any entity, the power or authority, through ownership of voting securities or other interests, by contract or otherwise, to exercise a controlling influence over the management of the entity.

"***Damages***" has the meaning set forth in Section 5.1(a)(ii).

"***Dawn Gateway Pipeline, LLC***" means Dawn Gateway Pipeline, LLC or its successors in interest.

"***Declaration***" means the Declaration of Limited Partnership for the Partnership filed under the Act and all amendments thereto and renewals, replacements or restatements thereof.

"***Default Interest Rate***" means a rate per annum equal to the lesser of:

(a) the greater of: (i) five percent (5%) plus the Prime Rate, compounded monthly; or (ii) ten percent (10%), compounded monthly; or

(b) the maximum rate permitted by applicable Law.

"***Diluting Partner***" has the meaning set forth in Section 5.2(d).

"***Dispose***," "***Disposing***," or "***Disposition***" means with respect to any asset (including a Partnership Interest or any portion thereof), a sale, assignment, transfer, conveyance, gift, exchange or other disposition of such asset, whether such disposition be voluntary, involuntary or by operation of Law, including the following: (a) in the case of an asset owned by a natural person, a transfer of such asset upon the death of its owner, whether by will, intestate succession or otherwise; (b) in the case of an asset owned by an entity, (i) a merger or consolidation of such entity (other than where such entity is the survivor thereof), (ii) a conversion of such entity into another type of entity, or (iii) a distribution of such asset, including in connection with the dissolution, liquidation, winding-up or termination of such entity (unless, in the case of dissolution, such entity's business is continued without the commencement of liquidation or winding-up); and (c) a disposition in connection with, or in lieu of, a foreclosure of an Encumbrance; but such terms shall not include the creation of an Encumbrance.

"***Dispute***" has the meaning set forth in Section 13.2.

"***Dissolution Event***" has the meaning set forth in Section 12.1.

"***DTE Pipeline Company***" means DTE Pipeline Company or its successors in interest.

"***Effective Date***" means the date and year first written above.

"***Election Notice***" has the meaning set forth in Section 5.2(a)(ii).

"***Election Period***" has the meaning set forth in Section 5.2(a)(iv).

"***Encumber***", "***Encumbering***", or "***Encumbrance***" means the creation of a security interest, lien, pledge, mortgage or other encumbrance, whether such encumbrance be voluntary, involuntary or by operation of Law.

"***Equivalent U.S. Affiliate Voting Interest***" means, with respect to any Limited Partner's Partnership Voting Interest, a U.S. Voting Interest of a Limited Partner's U.S. Affiliate in Dawn Gateway Pipeline, LLC equal to 100.010001% of that Limited Partner's Partnership Voting Interest.

"***Excise Tax Act***" means the *Excise Tax Act* (Canada), as amended from time to time, and any successor statute.

"***Final Determination***" means:

(a) a determination set forth in a binding settlement agreement between the Partnership and a Limited Partner alleged to have committed an Adverse Act, which settlement agreement has been approved by the General Partner; or

(b) a final determination, not subject to further appeal, by arbitration in accordance with this Limited Partnership Agreement or by a court of competent jurisdiction.

"***First Appraiser***" has the meaning set forth in Section 5.3(c).

"***General Partner***" means Dawn Gateway Pipeline General Partner Inc. or, as applicable, any new general partner appointed pursuant to this Limited Partnership Agreement.

"***Governmental Authority***" means a federal, provincial, state, local or foreign governmental authority, including Canada and the United States of America; a state, province, commonwealth, territory or district thereof; a county or parish; a city, town, township, village or other municipality; a district, ward or other subdivision of any of the foregoing; any executive, legislative or other governing body of any of the foregoing; any agency, authority, board, department, system, service, office, commission, committee, council or other administrative body of any of the foregoing, including the National Energy Board, the Federal Energy Regulatory Commission or the Michigan Public Service Commission; any court or other judicial body; and any officer, official or other representative of any of the foregoing.

"***Gross Appraised Value***" has the meaning set forth in Section 5.3(a).

"***Initial Capital Contributions***" has the meaning set forth in Section 4.1(a).

"***Initial Partner***" means each of the Persons set forth on Exhibit 2.1 executing this Limited Partnership Agreement as of the Effective Date.

"***Law***" means any applicable constitutional provision, statute, act (including the Act), law, regulation, rule, ordinance, order, decree, ruling, proclamation, resolution, judgment, decision, declaration, or interpretative or advisory opinion or letter of a Governmental Authority having valid jurisdiction.

"***Lending Partner***" has the meaning set forth in Section 5.2(c).

"***Limited Partner***" means any Person executing this Limited Partnership Agreement as a limited partner or hereafter admitted to the Partnership as a limited partner as provided for in this Limited Partnership Agreement.

"***Limited Partnership Agreement***" has the meaning set forth in the introductory paragraph hereof.

"***Majority Approval***" means the approval by a Majority of Partners.

"***Majority of Partners***" means the Non-Adverse Partners that hold Partnership Voting Interests the sum of which exceed fifty percent (50%) of the total sum of the Partnership Voting Interests of all Partners who are Non-Adverse Partners;

"***Manager***" has the meaning set forth in the Shareholders Agreement.

"***MichCon***" means Michigan Consolidated Gas Partnership or its successors in interest.

"***Net Equity***" has the meaning set forth in Section 5.3(b).

"***Non-Adverse Partner***" means any Limited Partner that is not an Adverse Partner.

"***Notice Period***" has the meaning set forth in Section 3.7.

"***Parent***" means, in the case of each of the Limited Partners, the Persons identified on Exhibit 1.01A. Exhibit 1.01A shall be promptly updated upon any change to the identity of a Limited Partner's Parent; *provided however* that the new Parent must have other assets or interests such that the then fair market value of such Limited Partner's Partnership Interest does not exceed the then fair market value of the aggregate of all such other assets and interests of the new Parent.

"***Participating Partner***" has the meaning set forth in Section 4.3.

"***Partner***" means any Initial Partner or any other Person later admitted to the Partnership as a partner in accordance with this Limited Partnership Agreement, until that Person's rights are terminated as provided in this Limited Partnership Agreement.

"***Partnership***" has the meaning set forth in the introductory paragraph hereof.

"***Partnership Distribution Allocation***" means, (a) in the case of the Initial Partners or a Person acquiring the Partnership Interest thereof, the percentage specified for that Partner as its Partnership Distribution Allocation on Exhibit 3.1, and (b) in the case of Partnership Interests issued pursuant to Section 3.4, the Partnership Distribution Allocation established pursuant thereto; subject in all cases to adjustments on account of Dispositions of Partnership Interests permitted by this Limited Partnership Agreement or as otherwise provided herein. For greater certainty, the Partnership Distribution Allocations shall be determined at the end of the Allocation Year.

"***Partnership Interest***" means the ownership interest of a Partner in the Partnership as described in this Limited Partnership Agreement, including (a) that Partner's Partnership Distribution Allocation and Partnership Voting Interest; (b) that Partner's status as a Partner; (c) all rights, benefits, and privileges enjoyed by that Partner (under the Act, the Declaration, this Limited Partnership Agreement, or otherwise) in its capacity as a Partner; and (d) all obligations, duties, and liabilities imposed on that Partner (under the Act, the Declaration, this Limited Partnership Agreement, or otherwise) in its capacity as a Partner, including any obligations to make Capital Contributions.

"***Partnership Voting Interest***" means, (a) in the case of the Initial Partners or a Person acquiring the Partnership Interest thereof, the number of votes specified for that Partner as its Partnership Voting Interest on Exhibit 3.1, and (b) in the case of Partnership Interests issued pursuant to Section 3.4, the Partnership Voting Interest established pursuant thereto; subject in all cases to adjustments on account of Dispositions of Partnership Interests permitted by this Limited Partnership Agreement or as otherwise provided herein.

"***Per Capita Basis***" means, for a transaction described in Sections 3.6 or 3.7:

(a) with respect to Partnership Distribution Allocation, the Partners participating in such transaction will participate in proportion to their respective Per Capita Partnership Distribution Allocation Basis; and

(b) with respect to Partnership Voting Interest, after the consummation of such transaction, the Partnership Voting Interest of each Partner participating in such transaction will be equal to a percentage, rounded to the nearest one-thousandth, obtained by multiplying 100 by a fraction:

(i) the numerator of which is equal to the sum of: (1) that Partner's Partnership Distribution Allocation (expressed as a decimal, multiplied by 100); and (2) the U.S. Distribution Allocation (expressed as a decimal, multiplied by 100) of such Partner's U.S. Affiliate; and

(ii) the denominator of which is equal to the sum of: (1) the Partnership Distribution Allocations of all Partners entitled to participate in the applicable transaction (expressed as decimals, multiplied by 100); and (2) the U.S. Distribution Allocations (expressed as decimals, multiplied by 100) of the U.S. Affiliates of all the Partners participating in that transaction

provided, however, for purposes of such transactions, Partners that are Affiliates of each other at such time shall be treated as constituting only one (1) Partner and may only participate in such transaction as if such Partners constituted one (1) Partner.

"***Per Capita Partnership Distribution Allocation Basis***" with respect to any Partner means a proportion where the numerator is that Partner's Partnership Distribution Allocation and the denominator is the total Partnership Distribution Allocations of all Partners entitled to participate in the applicable transactions or voting pursuant to Sections 3.6, 3.7 and 5.2; *provided, however*, for purposes of such transaction/voting, Partners that are Affiliates of each other at such time shall be treated as constituting only one (1) Partner and may only participate in such transaction/voting as if such Partners constitute one (1) Partner.

"***Person***" means a natural person, partnership (whether general or limited), limited liability company, limited liability partnership, trust, estate, association, corporation, custodian, nominee or any other individual or entity in its own or any representative capacity, or any Governmental Authority.

"***Pipeline System***" means the pipeline assets located in Canada as more specifically described in the Project Development Agreement.

"***PPSA***" means the *Personal Property Security Act* (Ontario), as amended from time to time.

"***Precedent Agreements***" means the Precedent Agreements entered into on behalf of the Partnership by each Partner's Affiliate with proposed customers of the Partnership for the transmission of natural gas through the Pipeline System.

"***Prime Rate***" means a floating rate per annum that is equal to the interest rate publicly quoted by *The Wall Street Journal* (in the box entitled "Money Rates") from time to time as the prime commercial or similar reference interest rate, with adjustments in that varying rate to be made on the same date as any published change in that rate. In the event *The Wall Street Journal* ceases to publish the prime rate, then the Prime Rate shall be obtained from a similar publication selected by the General Partner.

"***Profits***" and "***Losses***" mean, for each Allocation Year, an amount equal to the Partnership's taxable income or loss, respectively, for that Allocation Year, determined in accordance with the Tax Act.

"***Project Developer***" means Westcoast Energy Inc. or any assignee of or successor to Westcoast Energy Inc.'s rights and obligations under the Project Development Agreement.

"***Project Development Agreement***" means that certain Project Development Agreement by and between the Partnership and Westcoast Energy Inc. relating to the development and construction of the Pipeline System and containing such terms as are agreed upon by the Managers, which agreement may be amended and modified from time to time.

"***Property***" means any assets owned or leased by the Partnership.

"***Purchase Notice***" has the meaning set forth in Section 5.2(a)(iv).

"***Purchasing Partner***" has the meaning set forth in Section 5.2(a)(iv).

"***Quarter***" means, unless the context requires otherwise, a fiscal quarter of the Partnership.

"***Reconstitution Period***" means the ninety (90) day period following a determination by a court of competent jurisdiction that the Partnership has dissolved absent the occurrence of a Dissolution Event.

"***Registrar***" means the Registrar appointed under the *Business Names Act* (Ontario).

"***Required Accounting Practices***" means generally accepted accounting principles as practiced in Canada at the time prevailing for companies engaged in a business similar to the Partnership or, if inconsistent therewith, the accounting rules and regulations, if any, at the time

prescribed by the regulating body or bodies under the jurisdiction of which the Partnership is at the time operating.

"***Sale Notice***" means a notice by a Limited Partner of its intention to Dispose of all or a specified part of its Partnership Interest and the analogous portion of its Canadian Affiliate Ownership Interest, which Sale Notice must identify the name of the prospective purchaser and the terms and conditions of the Bona Fide Offer and must offer to Dispose of such Limited Partner's Partnership Interest and the analogous portion of its Canadian Affiliate Ownership Interest to the other Limited Partners (on a Per Capita Basis) on the terms and conditions of the Bona Fide Offer.

"***Second Appraiser***" has the meaning set forth in Section 5.3(c).

"***Shareholders Agreement***" means the shareholders agreement of Dawn Gateway Pipeline General Partner Inc.

"***Sole Discretion***" means with respect to any Person, that Person's sole and absolute discretion, with or without cause, and subject to such conditions as it shall deem appropriate.

"***Super Majority Approval***" means the approval by one or more Non-Adverse Partners that hold Partnership Voting Interests the sum of which exceed sixty percent (60%) of the total sum of the Partnership Voting Interests of all Partners who are Non-Adverse Partners.

"***System Expansion***" means any facilities to be installed or action to be taken after the Commencement Date costing in excess of one million U.S. dollars (U.S. $1,000,000) to extend, expand or increase the capacity of the Pipeline System (except those undertaken as part of customary maintenance or to comply with applicable environmental or safety requirements)

"***System Expansion Commencement Date***" means the date on which the Partnership commences commercial operation of the System Expansion.

"***Tax Act***" means the *Income Tax Act* (Canada), as amended from time to time, and any successor statutes.

"***Third Appraiser***" has the meaning set forth in Section 5.3(c).

"***Unanimous Approval***" means the approval of all of the Non-Adverse Partners.

"***Union Gas Limited***" means Union Gas Limited or its successors in interest.

"***U.S. Affiliates***" means, with respect to any Limited Partner, the Wholly-Owned Affiliate of such Limited Partner that holds an ownership interest in Dawn Gateway Pipeline, LLC.

"***U.S. Capital Account***" has the meaning given the term "Capital Account" in the Company Agreement.

"***U.S. Distribution Allocation***" has the meaning given the term "Distribution Allocation" in the Company Agreement.

"***U.S. Ownership Interest***" has the meaning given the term "Membership Interest" in the Company Agreement.

"***U.S. Voting Interest***" has the meaning given the term "Voting Interest" in the Company Agreement.

"***Value***" means, an amount equal to the fair market value of property, as determined by the General Partner and adjusted as at the following times:

(a) The acquisition of an additional Partnership Interest by any new or existing Partner in exchange for more than a *de minimis* Capital Contribution (for purposes of clarification, the Partners agree that a Participating Partner will be deemed to have acquired an additional Partnership Interest as at the System Expansion Commencement Date by reason of making Capital Contribution(s) for a System Expansion);

(b) The acquisition of an additional interest in Dawn Gateway Pipeline, LLC by any new or existing Member (as that term is defined in the Company Agreement) in exchange for more than a *de minimis* Capital Contribution (as that term is defined in the Company Agreement) (for purposes of clarification, the Partners agree a Participating Member (as that term is defined in the Company Agreement) will be deemed to have acquired an additional interest in Dawn Gateway Pipeline, LLC as at the System Expansion Commencement Date by reason of making Capital Contribution(s) (as that term is defined in the Company Agreement) for a System Expansion (as that term is defined in the Company Agreement));

(c) The distribution by the Partnership to a Partner of more than a *de minimis* amount of property as consideration for an interest in the Partnership; and

(d) The liquidation of the Partnership, provided that an adjustment described in subsections (a),(b) and (c) above will be made only if the General Partner reasonably determines that such adjustment is necessary to reflect the relative economic interests of the Partners in the Partnership; and

(e) If the Value of an asset has been determined or adjusted pursuant to subsections (a),(b) or (c) above, the adjustment of Value shall be treated as an item of gain (if the adjustment increases the Value of the asset) or an item of loss (if the adjustment decreases the Value of the asset) from the disposition of such asset and must be either added or subtracted from the Capital Accounts. The Value of that asset will be adjusted from that point forward by the depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

(f) An adjustment made to the Capital Accounts, pursuant to (e) relating to an additional interest acquired under (b) is for the sole purpose of determining adjusted Voting Interest under the Company Agreement and Partnership Voting Interest under this Limited Partnership Agreement and will be reversed immediately thereafter and given no further effect in the Partnership records for maintaining Capital Accounts.

In the event that the Board of Managers cannot agree on the fair market value of Property, the Gross Appraised Value shall be determined in accordance with Section 5.3(c) and Value shall be equal to the Gross Appraised Value.

"***Westcoast Energy Inc.***" means Westcoast Energy Inc. or its successors in interest.

"***Wholly-Owned Affiliate***" with respect to any Person, (a) each entity that such Person Completely Controls; (b) each Person that Completely Controls such Person, including, in the case of a Partner, such Partner's Parent; and (c) each entity that is under common Complete Control with such Person, including, in the case of a Partner, each entity that is Completely Controlled by such Partner's Parent.

"***Withdraw***", "***Withdrawing***" *or* "***Withdrawal***" means the withdrawal, resignation, or retirement of a Partner from the Partnership as a partner.

1.2 Other Definitions. Other capitalized terms defined in other sections of this Limited Partnership Agreement have the meanings given them in such sections throughout this Limited Partnership Agreement.

1.3 Construction. Unless the context requires otherwise: (a) the gender (or lack of gender) of all words used in this Limited Partnership Agreement includes the masculine and feminine; (b) references to Articles and Sections refer to Articles and Sections of this Limited Partnership Agreement unless expressly provided otherwise; (c) references to Schedules and Exhibits, if any, refer to the Schedules and Exhibits attached to this Limited Partnership Agreement, each of which is made a part hereof for all purposes; (d) references to Laws refer to such Laws as they may be amended from time to time, and references to particular provisions of a Law include any corresponding provisions of any succeeding Law; (e) references to money refer to legal currency of the United States of America; (f) the singular form of nouns, pronouns and verbs shall include the plural and vice versa; (g) "shall" and "will" have equal force and effect; (h) the words "include," "including," or "includes" shall be read to be followed by the words "without limitation" or words having similar import; and (i) the word "or" will have the inclusive meaning represented by the phrase "and/or".

ARTICLE II

ORGANIZATION

2.1 Formation.

(a) The Initial Partners hereby agree to form and enter into the Partnership as an Ontario limited partnership and to file the Declaration with the Registrar in accordance with the Act.

(b) The Partnership is effective upon the date that the Declaration is filed with the Registrar in accordance with the Act. The rights and liabilities of the Partners are governed by the Act, the Declaration, and this Limited Partnership Agreement.

(c) The Partners agree to promptly after the date hereof execute all such certificates and other documents as may be requested by the General Partner in order to accomplish all filings, recordings, publishings and other acts as may be necessary or appropriate to comply with all requirements for the formation, registration, preservation and operation of the Partnership as a limited partnership in the Province of Ontario.

2.2 Name. The name of the Partnership is "**Dawn Gateway Pipeline Limited Partnership**" and all Partnership business must be conducted in that name or such other names that comply with applicable Law as the General Partner may select from time to time.

2.3 Registered Office, Registered Agent; Principal Office in Canada; Other Offices. The registered office of the Partnership will be the office of the initial registered agent named in the Declaration or such other office (which need not be a place of business of the Partnership) as the General Partner may designate from time to time in the manner provided by Law. The principal office of the Partnership will be at such place as the General Partner may designate from time to time, which need not be in the Province of Ontario, and the Partnership must maintain records there. The Partnership may have other offices as the General Partner may designate from time to time.

2.4 Purposes. The purposes of the Partnership are those set forth in the Declaration.

2.5 Foreign Qualification. Prior to the Partnership's conducting business in any jurisdiction other than Ontario, the General Partner will cause the Partnership to comply, to the extent procedures are available and those matters are reasonably within the control of the General Partner, with all requirements necessary to qualify the Partnership as a limited partnership or its closest equivalent in that jurisdiction. At the request of the General Partner, each Partner must execute, acknowledge, swear to, and deliver all certificates and other instruments conforming with this Limited Partnership Agreement that are necessary or appropriate to qualify, continue, or terminate the Partnership as a limited partnership or its closest equivalent in all such jurisdictions in which the Partnership may conduct business.

2.6 Term. The Partnership will continue in existence until the winding up and liquidation of the Partnership and its business is completed following a Dissolution Event.

2.7 Tax Partnership. The Partners intend the Partnership to be taxed as a partnership under the Tax Act, and under applicable provincial tax laws.

2.8 Title to Property. All Property (including contracts) shall be held:

(a) if reasonably practicable, in the name of the Partnership; or

(b) if not reasonably practicable to hold any Property in the name of the Partnership, in the name of the General Partner on behalf of the Partnership.

2.9 Payments of Individual Obligations. The Partnership's credit and Property must be used solely for the benefit of the Partnership, and no part of the Property may be

transferred or encumbered for, or used in payment of, any individual obligation of any Partner.

2.10 Powers.

(a) The Partnership, through the General Partner, shall have the power to do each and every act and thing necessary, proper, convenient or incidental to the pursuit or accomplishment of the business of the Partnership, including the power to borrow money (from the Limited Partners or otherwise), issue promissory notes and other negotiable or non negotiable instruments and evidences of indebtedness, grant or assume guarantees, indemnities and similar assurances, secure the payment of monies borrowed and pay interest thereon, mortgage, pledge and assign all or any part of the assets of the Partnership, assign money owing to or to be owing to the Partnership and engage in any other means of financing the business of the Partnership.

(b) Any borrowing, refinancing, refunding, guaranteeing of financial obligations or securing of all or any part of the assets of the Partnership by or on behalf of the Partnership and any delegation of the administration thereof shall be subject to approval by the General Partner.

2.11 Subsidiaries and Other Entities. The Partnership may carry on business, in whole or in part, by itself or, subject to approval by the General Partner, in association with other Persons or through one or more Persons owned in whole or in part by the Partnership or an Affiliate of a Partner, and the Partnership may be a partner in another partnership.

2.12 Employees. The Partnership shall not have any employees.

ARTICLE III

MEMBERSHIP; DISPOSITIONS OF INTERESTS

3.1 Partnership Interests. The initial Partnership Distribution Allocation and Partnership Voting Interest for each Initial Partner are set forth on Exhibit 3.1. Except as expressly provided otherwise in this Limited Partnership Agreement, each Partner is entitled to the number of votes equal to that Partner's Partnership Voting Interest as of the date of the vote, expressed as a decimal, times 100.

3.2 Representations and Warranties. As of the Effective Date, each Partner makes the following representations and warranties, which representations and warranties survive the execution and adoption of this Limited Partnership Agreement:

(a) Organization, Standing, Power and Authorization. Such Partner is a corporation duly organized or a partnership, limited liability company or other entity duly formed, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation and has the corporate, partnership or company power and authority to own its property and carry on its business as owned and carried on as of the Effective Date and as contemplated by this Limited Partnership Agreement. Such Partner is duly licensed or qualified to do business and is

in good standing in each of the jurisdictions in which the failure to be so licensed or qualified would have a material adverse effect on its financial condition or its ability to perform its obligations under this Limited Partnership Agreement. Such Partner has the corporate, partnership or company power and authority to execute and deliver this Limited Partnership Agreement and to perform its obligations under this Limited Partnership Agreement, and the execution, delivery and performance of this Limited Partnership Agreement has been duly authorized by all necessary corporate, partnership or company action. This Limited Partnership Agreement constitutes the legal, valid and binding obligation of such Partner.

(b) No Conflicts. Neither the execution, delivery nor performance of this Limited Partnership Agreement nor the consummation by such Partner of the transactions contemplated by this Limited Partnership Agreement will:

(i) conflict with, violate or result in a breach of any of the terms, conditions or provisions of any Law, order, writ, injunction, decree, determination or award of any court, governmental department, board, agency or instrumentality, domestic or foreign, or any arbitrator, applicable to such Partner;

(ii) conflict with, violate, result in a breach of, or constitute a default under any of the terms, conditions or provisions of the Declaration or certificate of incorporation, bylaws, partnership agreement, company agreement or similar organization or governing agreements or instrument of such Partner, its Parent or any Wholly-Owned Affiliate or of any material agreement or instrument to which such Partner, its Parent or any Wholly-Owned Affiliate is a party or by which such Partner, its Parent or any Wholly-Owned Affiliate is or may be bound or to which any of their material properties or assets is subject;

(iii) conflict with, violate, result in a breach of, constitute a default under (whether with notice or lapse of time or both), accelerate or permit the acceleration of the performance required by, give to others any material interests or rights, or require any consent, authorization or approval under any indenture, mortgage, lease agreement or instrument to which such Partner, its Parent or any Wholly-Owned Affiliate is a party or by which such Partner, its Parent or any Wholly-Owned Affiliate is or may be bound; or

(iv) result in the creation or imposition of any lien upon any of the material properties or assets of such Partner, its Parent or any Wholly-Owned Affiliate.

(c) Consents. Any registration, declaration or filing with, or consent, approval, license, permit or other authorization or order by, any governmental or regulatory authority, domestic or foreign, that is required in connection with the valid execution, delivery, acceptance and performance by such Partner under this Limited Partnership Agreement or the consummation by such Partner of any transaction contemplated by this Limited Partnership Agreement has been completed, made or obtained on or before the Effective Date.

(d) Pending Proceedings. There are no actions, suits, proceedings or investigations pending or, to the knowledge of such Partner, threatened against or affecting such Partner, its Parent or any Wholly-Owned Affiliate or any of their properties, assets or businesses in any

court or before or by any governmental department, board, agency or instrumentality, domestic or foreign, or any arbitrator which could, if adversely determined (or, in the case of an investigation, could lead to any action, suit or proceeding, which if adversely determined) could reasonably be expected to materially impair such Partner's ability to perform its obligations under this Limited Partnership Agreement or to have a material adverse effect on the consolidated financial condition of such Partner; and such Partner, its Parent or any Wholly-Owned Affiliate has not received any currently effective notice of any violation of, nor is such Partner, its Parent or any Wholly-Owned Affiliate in violation of, any applicable order, writ, injunction, decree, permit, determination or award of any court, governmental department, board, agency, or instrumentality, domestic or foreign, or any arbitrator which could reasonably be expected to materially impair such Partner's ability to perform its obligations under this Limited Partnership Agreement or to have a material adverse effect on the consolidated financial condition of such Partner.

(e) Investment Intent. Such Partner is acquiring its Partnership Interest based upon its own investigation, and the exercise by such Partner of its rights and the performance of its obligations under this Limited Partnership Agreement will be based upon its own investigation, analysis and expertise. Such Partner is the sole party in interest as to its participation in the Partnership and such Partner's acquisition of its Partnership Interest is being made for its own account for investment and, in particular, such Partner has no present agreement, understanding or arrangement to (A) subdivide its Partnership Interest, (B) hold its Partnership Interest in trust for any other Person or (C) Dispose or Encumber of any portion thereof to any other Person. Such Partner is a sophisticated investor possessing an expertise in analyzing the benefits and risks associated with acquiring investments that are similar to the acquisition of its Partnership Interest. Prior to the acquisition of its Partnership Interest, such Partner and its representatives, if any, have had the opportunity to obtain ample information concerning the Partnership and its proposed activities.

(f) Tax Status. Such Partner is not, and shall not become, a "non-resident" of Canada, or, if a partnership, is and shall continue to be a "Canadian partnership", in each case, for the purposes of the Tax Act and shall not take any action that will result in the partnership ceasing to be a "Canadian partnership" for the purposes of the Tax Act; and is not itself a tax shelter or a tax shelter investment, and interests in itself are not tax shelter investments, for the purposes of the Tax Act. Such Partner will not undertake any action that will cause the Partnership to be, or create a substantial risk that the Partnership will be, a "SIFT Partnership" as defined in subsection 197(1) of the Tax Act, including any action that may cause any interests of the Partnership to be traded on a "public market", as defined in subsection 122.1(1) of the Tax Act. Such Partner is not a "financial institution" within the meaning of the Tax Act.

3.3 Restrictions on the Disposition or Encumbrance of Partnership Interests.

(a) A Partner may not Dispose of or Encumber all or any portion of its Partnership Interest except in strict accordance with this Section 3.3. References in this Section 3.3 to Dispositions or Encumbrances of a "Partnership Interest" shall also refer to Dispositions or Encumbrances of a portion of a Partnership Interest. Any attempted Disposition or Encumbrance of a Partnership Interest, other than in strict accordance with this Section 3.3, shall be, and is hereby declared, null and void *ab initio*. The rights and obligations constituting a Partnership

Interest may not be separated, divided or split from the other attributes of a Partnership Interest except as contemplated by the express provisions of this Agreement. The Partners agree that a breach of the provisions of this Section 3.3 may cause irreparable injury to the Partnership and to the other Partners for which monetary damages (or other remedy at law) are inadequate in view of (i) the complexities and uncertainties in measuring the actual damages that would be sustained by reason of the failure of a Partner to comply with such provision and (ii) the uniqueness of the Partnership business and the relationship among the Partners. Accordingly, the Partners agree that the provisions of this Section 3.3 may be enforced by specific performance.

(b) Except as specifically provided in this Section 3.3(b) or Sections 3.6, 3.7 or 3.16, a Disposition of all or part of a Partnership Interest may not be effected without the prior written approval of the General Partner. For purposes of this Section 3.3, a Change in Control Event concerning a Partner is considered to be a Disposition by such Partner of its Partnership Interest. Notwithstanding the provisions of this Section 3.3(b), the Partnership Interest of any Limited Partner may be Disposed of without the prior written approval of the General Partner if such Disposition either (i) includes all or part of such Limited Partner's Partnership Interest and such Disposition is made to one or more Affiliates of such Limited Partner or (ii) includes such Limited Partner's entire Partnership Interest and its Canadian Affiliate Ownership Interest and such Disposition is made pursuant to a Disposition that includes other assets or interests of such Limited Partner or its Affiliates where the then fair market value of such Limited Partner's Partnership Interest does not exceed more than fifty percent (50%) of the fair market value of the aggregate of all such assets and interests being Disposed of at such time by such Limited Partner and its Affiliates. A Limited Partner may request, but does not have an obligation to request, that the General Partner provide written acknowledgment of a Disposition made pursuant to the preceding sentence which such acknowledgment shall not be unreasonably withheld, conditioned or delayed.

(c) Notwithstanding anything to the contrary in this Limited Partnership Agreement, no Limited Partner has the right to Dispose of all or any part of a Partnership Interest, nor does any Person have the right to request admission to the Partnership as a Limited Partner in connection with such Disposition, unless the following events occur:

(i) Either-

(A) the portion of the Partnership Interest subject to the Disposition or admission must be qualified for distribution pursuant to a prospectus a final receipt for which has been issued under applicable securities Laws; or

(B) the Partnership must receive a favorable opinion by the Partnership's legal counsel or by other legal counsel acceptable to the Partnership to the effect that the Disposition or admission is exempt from the registration and prospectus requirements under those laws;

(ii) The Partnership must receive a favorable opinion by the Partnership's legal counsel or by other legal counsel acceptable to the Partners to the effect that: (A) the disposition or admission, when added to the total of all other sales, assignments, or other Dispositions within the preceding twelve (12) months, would not result in the

Partnership's being considered to have terminated for purposes of the Tax Act; and (B) the disposition would not result in a deemed termination of the Partnership for U.S. tax purposes. The Partners, however, may waive the requirements of this Section 3.3(c)(ii);

(iii) There occurs a simultaneous Disposition by such Limited Partner's Canadian Affiliate and U.S. Affiliate to the same Person, or one or more Wholly-Owned Affiliates of such Person, of the analogous portion such Limited Partner's Canadian Affiliate's Canadian Affiliate Ownership Interest in the General Partner, and such Limited Partner's U.S. Affiliate's U.S. Ownership Interest in Dawn Gateway Pipeline, LLC in accordance with Section 3.16 below; *provided however*, that if there is a Disposition to an Affiliate as provided in Section 3.3(b)(i), then this Section 3.3(c)(iii) does not apply; and

(iv) The requirements set forth in Sections 3.6 and 3.7 have been satisfied; *provided however*, that if the Disposition is made to an Affiliate of the Partner, this Section 3.3(c)(iv) does not apply.

(d) The Partner effecting a Disposition of all or any part of a Partnership Interest, and any Person admitted as a Partner in connection with the Disposition, must pay or reimburse the Partnership for all costs incurred by the Partnership in connection with the Disposition or admission (including the legal fees incurred in connection with the legal opinions referred to in Sections 3.3(c)(i)(B) or 3.3(c)(ii)) on or before the thirtieth (30th) day after the receipt by the Partner or that Person of the Partnership's invoice for the amount due. If payment is not made by the due date, the Person owing that amount must pay interest on the unpaid amount from the due date until paid, at a rate per annum equal to the Default Interest Rate.

(e) A Partner may not Encumber its Partnership Interest, except by complying with the following:

(i) obtaining the consent of the General Partner; and

(ii) the instrument creating such Encumbrance must provide that any foreclosure of such Encumbrance (or Disposition in lieu of such foreclosure) must comply with the requirements of Sections 3.3, 3.6, 3.7, 3.8 and 3.9.

(f) The General Partner shall not effect a Disposal or Encumbrance of any portion of its Partnership Interest without the Unanimous Approval of the Limited Partners.

3.4 Additional Partners. Additional Persons may be admitted as Partners, and Partnership Interests may be created and issued to those Persons and to existing Partners with the approval of the General Partner, on such terms and conditions and with such Partnership Interest as the General Partner may determine at the time of admission. The terms and conditions of admission or issuance must specify the Partnership Interest applicable to the admission. Any such admission is effective only after the new Partner has executed and delivered to the Partnership a document including the new Partner's notice address, its agreement to be bound by this Limited Partnership Agreement, and its representation and warranty that the representations and warranties in Section 3.2 are true and correct with

respect to the new Partner. The provisions of this Section 3.4 do not apply to Dispositions of Partnership Interests or the admission of new Persons in substitution of any existing Partner.

3.5 Interests in a Partner. A Partner shall not allow a Disposition concerning itself, without the consent of the Partners, if as a result of that Disposition, the Partner ceases to be a Wholly Owned Affiliate of its Parent.

3.6 Right of First Offer.

(a) Except for Dispositions of Partnership Interests permitted without the prior written approval of the General Partner pursuant to Section 3.3(b), if at any time a Limited Partner (a "***ROFO Selling Partner***") desires to Dispose of all or any part of its Partnership Interest to a Person, then the ROFO Selling Partner, as a condition precedent to its right to Dispose of all or any part of its Partnership Interest, must first offer each other Limited Partner the opportunity to extend an offer for the acquisition of the applicable portion of the ROFO Selling Partner's Partnership Interest prior to any solicitation to or discussion with any such Person in accordance with this section. The ROFO Selling Partner must notify the other Limited Partners (each such other Partner, a "***ROFO Offeree Partner***") in writing of its desire to sell all or a part of its Partnership Interest and, if it desires to sell less than all, the portion of its Partnership Interest that it desires to sell. Each ROFO Offeree Partner will have the right during the ten (10) Business Days following receipt of such notice to submit a Bona Fide Offer to the ROFO Selling Partner for the purchase of the applicable portion of the ROFO Selling Partner's Partnership Interest, provided that such Bona Fide Offer must provide that the purchase price for the ROFO Selling Partner's Partnership Interest will be entirely paid in cash. Any ROFO Offeree Partner that exercises its right to submit a Bona Fide Offer to the ROFO Selling Partner for the purchase the ROFO Selling Partner's Partnership Interest must receive any internal or other organizational approvals necessary to consummate such purchase right within sixty (60) days following such ROFO Offeree Partner's submission and must notify the ROFR Selling Partner and the other ROFR Offeree Partners in writing promptly after receiving such approvals. Within five (5) Business Days of receipt of any Bona Fide Offers ("***ROFO Consideration Period***"), the ROFO Selling Partner may, in its Sole Discretion, accept in writing any such offers. If the ROFO Selling Partner fails to accept a Bona Fide Offer in writing during the ROFO Consideration Period, then the ROFO Selling Partner will be deemed to have rejected that Bona Fide Offer.

(b) If the ROFO Selling Partner accepts more than one Bona Fide Offer under this Section 3.6, then the ROFO Offeree Partners that submitted the accepted Bona Fide Offers will participate in the transaction on a Per Capita Basis. If the ROFO Selling Partner accepts one or more Bona Fide Offers, the ROFO Selling Partner must deliver a Sale Notice to all other Partners in writing of all the terms and conditions of the accepted Bona Fide Offers. Within thirty (30) days following receipt of such notice, each other Partner may elect to purchase a portion of the ROFO Selling Partner's Partnership Interest being Disposed under the Bona Fide Offer, up to that Limited Partner's Per Capita Basis, on the same terms and conditions as the Bona Fide Offer. If a Partner elects to exercise its right under this subsection, it must give notice in writing within such thirty (30) day period to the ROFO Selling Partner and each ROFO Offeree Partner that submitted an accepted Bona Fide Offer.

(c) If no ROFO Offeree Partner exercises its right to submit a Bona Fide Offer to the ROFO Selling Partner in accordance with Section 3.6(a) or, if the ROFO Selling Partner has rejected or is deemed to have rejected the Bona Fide Offer in accordance with Section 3.6(a) it may commence discussions with and solicit offers from other Persons who are not Partners for the Disposition of its Partnership Interest.

(d) If more than six (6) months have passed since a Partner last notified the other Partners in writing of its desire to sell all or a part of its Partnership Interest in accordance with Section 3.6(a), then such Partner shall be required to once again comply with the requirements of Sections 3.6(a), 3.6(b) and 3.6(c) before commencing discussions with or soliciting offers from other Persons who are not Partners for the Disposition of its Partnership Interest.

3.7 Right of First Refusal.

(a) Except for Dispositions of Partnership Interests permitted without the prior written approval of the General Partner pursuant to Section 3.3(b), if a Limited Partner has satisfied the obligations of Section 3.6 and desires to Dispose of all or any part of its Partnership Interest to a Person (a "***ROFR Selling Partner***"), then the ROFR Selling Partner must first obtain a Bona Fide Offer from the prospective purchaser, and as a condition precedent to its right to Dispose of all or any part of its Partnership Interest to such Person, the ROFR Selling Partner must deliver a Sale Notice to the other Limited Partners (each such other Partner, a "***ROFR Offeree Partner***"). Each ROFR Offeree Partner will have the right during the thirty (30) days following receipt of the Sale Notice (the "***Notice Period***") to elect to purchase on the terms set forth in the Sale Notice the portion of or interest in the Partnership Interest covered by the Sale Notice, subject to such ROFR Offeree Partner receiving the necessary approvals to consummate the purchase as described in Section 3.7(c) below.

(b) If any ROFR Offeree Partner decides to exercise its right to purchase the Partnership Interest covered by the Sale Notice, such ROFR Offeree Partner must give notice in writing within the Notice Period to the ROFR Selling Partner and to the other ROFR Offeree Partners of its election to exercise its right to purchase such Partnership Interest. If more than one ROFR Offeree Partner elects to purchase such Partnership Interest, then each electing ROFR Offeree Partner will be permitted and required to purchase a portion of such Partnership Interest calculated on a Per Capita Basis of the electing ROFR Offeree Partners or in such other proportions as the electing ROFR Offeree Partners mutually agree in writing. Notwithstanding the preceding sentences, the ROFR Offeree Partners may, subject to Super Majority Approval, elect to cause the Partnership to redeem the Partnership Interest covered by the Sale Notice as opposed to acquiring such Partnership Interest among the ROFR Offeree Partners provided such redemption results in the same economic results to the ROFR Selling Partner as a purchase of the Partnership Interest.

(c) Except as otherwise provided in Section 3.7(e), any ROFR Offeree Partner that exercises its right to purchase the Partnership Interest covered by the Sale Notice must receive any internal or other organizational approvals necessary to consummate such purchase right within sixty (60) days following such ROFR Offeree Partner's purchase election and must notify the ROFR Selling Partner and the other ROFR Offeree Partners in writing promptly after receiving such approvals. If a ROFR Offeree Partner does not notify the ROFR Selling Partner

and the other ROFR Offeree Partners in writing that it has received such necessary approvals, then such ROFR Offeree Partner will not have the right to purchase the Partnership Interest covered by the Sale Notice (or, as applicable, the portion of such Partnership Interest on a Per Capita Basis). The closing of the purchase(s) (or redemption, if applicable) of such Partnership Interest shall occur within thirty (30) days after the last ROFR Offeree Partner provides notice that the necessary approvals were received (or waived).

(d) In the event the ROFR Offeree Partners do not elect to purchase (or cause the Partnership to redeem) all of the Partnership Interest offered by the ROFR Selling Partner on the terms set forth in the Bona Fide Offer, or if none of the ROFR Offeree Partners that exercised the right to purchase the Partnership Interest covered by the Sale Notice notify the ROFR Selling Partner and the other ROFR Offeree Partners in writing of the receipt (or waiver) of the necessary approvals within the time period specified in Section 3.7(c), then the ROFR Selling Partner shall be permitted to Dispose of the Partnership Interest in accordance with the Sale Notice, subject to the other terms and conditions of this Limited Partnership Agreement, including Section 3.3(b) (except, for the avoidance of doubt, the ROFR Selling Partner is not required to obtain the prior written approval of the General Partner to Dispose of the Partnership Interest in accordance with such Sale Notice), which shall apply to any transferee. If the proposed Disposition does not occur within thirty (30) days after termination of the Notice Period, the ROFR Selling Partner shall be required to again comply with all of the provisions of Sections 3.6 and 3.7.

(e) A ROFR Offeree Partner that exercises its right to purchase the Partnership Interest covered by the Sale Notice cannot condition its purchase on receiving any internal or other organizational approvals necessary to consummate such purchase if: (i) within the six (6) month period before such ROFR Offeree Partner received the Sale Notice, such ROFR Offeree Partner had also submitted a Bona Fide Offer under Section 3.6(a) but did not receive the necessary internal or other organizational approvals necessary to consummate that transaction within the required sixty (60) day period; and (ii) the terms of such Bona Fide Offer are substantially similar to the terms of the Bona Fide Offer from the prospective purchaser. If that ROFR Offeree Partner is the only Partner to exercise its purchase rights under this Section 3.7, then the closing of the purchase (or redemption, if applicable) of such Partnership Interest shall occur within thirty (30) days after such ROFR Offeree Partner provides notice that the necessary approvals were received (or waived) sends notice that it is exercising its right to purchase the Partnership Interest covered by the Sale Notice.

3.8 Fair Market Value. If the terms and conditions of any Bona Fide Offer contemplate that all or any part of the purchase price for the proposed Disposition of a Partnership Interest and corresponding Canadian Affiliate Ownership Interest will be paid in any form other than cash, the fair market value of such non-cash consideration shall be determined in accordance with this Section 3.8 and the ROFR Offeree Partner shall be entitled to provide cash consideration in lieu of the non-cash consideration being offered to the ROFR Selling Partner in an amount equivalent to the fair market value of such non-cash consideration. The fair market value of the Bona Fide Offer from a prospective purchaser is the amount (in U.S. dollars) determined as follows:

(a) Cash payable at closing will be valued in U.S. dollars.

(b) A security trading on a public market and for which published trading prices are readily available will be valued at its closing sales price (or if a sales price is not available at the average of its closing bid and asked prices) on the last Business Day preceding the date of the offer with respect to such offer.

(c) A security not described in clause (b) or other property, including cash payable in one or more installments, will be valued at its fair market value on the last Business Day preceding the date of the offer as determined by a unanimous vote of the Limited Partners, which determination will be binding upon the Limited Partner Disposing of the Partnership Interest and corresponding Canadian Affiliate Ownership Interest for purposes of determining the fair market value of the offer. If the Limited Partners, by unanimous vote, are unable or unwilling to agree on the fair market value of the Bona Fide Offer, the Partners must select an independent appraiser to determine the fair market value of the Bona Fide Offer, which determination will be binding upon the Limited Partners for purposes of determining the fair market value of the Bona Fide Offer and the time periods set forth in Sections 3.6 and 3.7 shall be appropriately extended to accommodate such appraisal. The Limited Partner Disposing of the Partnership Interest and corresponding Canadian Affiliate Ownership Interest shall bear all costs associated with the independent appraisal.

(d) If within ten (10) days of receipt of the Sale Notice, the Limited Partners are unable to agree on a fair market value and are unable to agree on an independent appraiser as set forth in Section 3.8(c), then within five (5) days of that time each Limited Partner will select one (1) appraiser and those appraisers will determine the fair market value of the offer in accordance with the following: Each appraiser must submit its calculation of the fair market value of an offer described in Section 3.8(c) to the Partnership, the Limited Partners and the accountants within thirty (30) days of the date of their selection. The fair market value of an offer described in Section 3.8(c) is the average of the determinations. The determination of the fair market value of an offer described in Section 3.8(c) in accordance with the foregoing procedure is final and binding on the Partnership and each Partner. Each appraiser selected pursuant to the provisions of this Section 3.8(d) must be a qualified Person with prior experience in appraising businesses comparable to the business of the Partnership and must not be an interested person with respect to any Partner. The costs of the appraisals under this Section 3.8(d) shall be borne equally by all Limited Partners.

(e) If any appraiser is only able to provide a range in which the fair market value of an offer described in Section 3.8(c) would exist, the average of the highest and lowest value in such range is considered to be such appraiser's determination of the fair market value of an offer described in Section 3.8(c). The time periods set forth in Sections 3.6 and 3.7 shall be appropriately extended to accommodate any appraisals under this Section 3.8.

3.9 **Restrictions Applicable Upon Disposition**. The restrictions of this Limited Partnership Agreement will continue to be applicable upon the Disposition of any Partnership Interest, and any Person acquiring a Partnership Interest must execute and become a party to this Limited Partnership Agreement and must hold such Partnership Interest subject to all of

the terms and conditions provided in this Limited Partnership Agreement, and no further Disposition of such Partnership Interest may be made except in accordance with the terms and conditions provided in this Limited Partnership Agreement.

3.10 Information; Confidentiality.

(a) In addition to the other rights specifically set forth in this Limited Partnership Agreement, each Partner is entitled to all information to which that Partner is entitled to have access pursuant to the Act under the circumstances and subject to the conditions therein stated. Such information will be available for review during normal business hours.

(b) The Partners acknowledge that, from time to time, they may receive Confidential Information from or regarding the Partnership. Each Partner shall use commercially reasonable efforts to hold Confidential Information in trust and confidence and shall not disclose any Confidential Information to any Person except as may be authorized by the General Partner in writing. Notwithstanding the preceding to the contrary, each Partner may disclose Confidential Information to its Affiliates, and its and their respective advisors, accountants, attorneys, officers, directors, employees, agents, lenders, and to Persons to which a Partner's Partnership Interest may be Disposed as permitted by this Limited Partnership Agreement, so long as such Persons are under an obligation not to disclose such information. "***Confidential Information***" means information relating to the Partnership; *provided, however*, that Confidential Information shall not include:

(i) any information that is contained in the public records, public filings or is otherwise publicly disclosed or available other than as the result of a breach of this Limited Partnership Agreement,

(ii) any information that is compelled by Law to be disclosed (but the Partner must notify the other Partners promptly of any request for that information before disclosing it, if practicable), or

(iii) any information that a Partner also has received from a source independent of the Partnership that the Partner reasonably believes obtained that information without breach of any obligation of confidentiality.

(c) The obligations under this Section 3.10 with respect to Confidential Information will survive for a period of three years following the dissolution of the Partnership.

3.11 Legends. Any instrument representing a Partnership Interest will conspicuously bear the following legend:

THE SECURITIES REPRESENTED BY THIS INSTRUMENT ARE SUBJECT TO RESTRICTIONS ON TRANSFER AND CERTAIN OTHER AGREEMENTS SET FORTH IN THE LIMITED PARTNERSHIP AGREEMENT OF THE LIMITED PARTNERSHIP DATED EFFECTIVE AS OF MAY 1, 2009, A COPY OF WHICH MAY BE OBTAINED BY THE

REGISTERED HOLDER OF THIS INSTRUMENT AT THE LIMITED PARTNERSHIP'S PRINCIPAL PLACE OF BUSINESS.

3.12 Change in Composition of Partnership. It is expressly agreed by the Partners that any change in the ownership of Partnership Interests pursuant to the terms of this Article III shall not dissolve or otherwise alter the legal existence of the Partnership.

3.13 Amendment of Declaration and Register. The General Partner shall from time to time promptly effect filings, recordings, registrations and amendments to Exhibit 2.1 and the Declaration and to such other documents and at such places as in the opinion of counsel to the Partnership are necessary or advisable to reflect changes in the membership of, or Capital Contributions to, the Partnership, transfers of Partnership Interests and the dissolution of the Partnership as herein provided and to constitute an assignee as a Partner.

3.14 Development of Pipeline System.

(a) Within a reasonable amount of time after filing of the Declaration with the Registrar and the execution of this Partnership Agreement, the General Partner, on behalf of the Partnership, will accept the assignment of the Precedent Agreements. After the Precedent Agreements are assigned to the Partnership, but not later that five (5) Business Days before the date set forth in Section 3 of the Precedent Agreements by which the Sponsors (as defined in the Precedent Agreements) must obtain the approval of their respective senior management or Board of Directors or any other organizational approvals, as such date maybe amended from time to time, the Board of Managers will meet to determine whether or not such condition is or will be satisfied. If the Managers determine that the condition will not be satisfied, then they will decide the appropriate course of action to take.

(b) Promptly following, but not before, the Canadian Affiliate of each Limited Partner has received all necessary internal and other organizational approvals to authorize its respective appointed Manager to vote on a resolution authorizing the General Partner, on behalf of the Partnership to proceed with the development of the Pipeline System pursuant to the schedules and terms of the Project Development Agreement, the Board of Managers will meet to vote on such a resolution. If the resolution to proceed with the Pipeline System is passed (the date on which such resolution is passed is referred to as the "***Commitment Voting Date***"), then within ten (10) days after the Commitment Voting Date, the Partnership will execute the Project Development Agreement.

(c) Within ninety (90) days of the Commitment Voting Date or as otherwise agreed upon by the Managers pursuant to the Shareholders Agreement (but in no event before the Commitment Voting Date), the Partnership will execute an agreement with Union Gas Limited or an Affiliate of Union Gas Limited to provide the field maintenance services for the Pipeline System on such terms as are agreed upon by the Managers.

(d) Within ninety (90) days of the Commitment Voting Date or as otherwise agreed upon by the Managers pursuant to the Shareholders Agreement (but in no event

before the Commitment Voting Date), the Partnership will execute a marketing agreement with DTE Pipeline Company on such terms as are agreed upon by the Managers.

(e) Within ninety (90) days of the Commitment Voting Date or as otherwise agreed upon by the Managers pursuant to the Shareholders Agreement (but in no event before the Commitment Voting Date), the Partnership will execute an interconnection agreement with Union Gas Limited on such terms as are agreed upon by the Managers.

(f) Within ninety (90) days of the Commitment Voting Date or as otherwise agreed upon by the Managers pursuant to the Shareholders Agreement (but in no event before the Commitment Voting Date), the Partnership will execute a financial services agreement with Westcoast Energy Inc. on such terms as are agreed upon by the Managers.

(g) Within ninety (90) days of the Commitment Voting Date or as otherwise agreed upon by the Managers pursuant to the Shareholders Agreement (but in no event before the Commitment Voting Date), the Partnership will execute an interconnection agreement with Dawn Gateway Pipeline, LLC on such terms as are agreed upon by the Managers.

(h) Within ninety (90) days of the Commitment Voting Date or as otherwise agreed upon by the Managers pursuant to the Shareholders Agreement (but in no event before the Commitment Voting Date), the Partnership will execute agreements with Union Gas Limited and with St. Clair Pipelines LP for the purchase of Union Gas Limited's St. Clair pipeline and of St. Clair Pipelines LP's St. Clair River crossing pipeline, respectively, on such terms as are agreed upon by the Managers pursuant to the Shareholders Agreement.

(i) Within ninety (90) days of the Commitment Voting Date or as otherwise agreed upon by the Managers pursuant to the Shareholders Agreement (but in no event before the Commitment Voting Date), the Partnership will execute an agreement with MichCon or an Affiliate of DTE Pipeline Company ("***Operator***"), whereby such Operator will provide the field operations, maintenance and gas control management services for the Pipeline System on such terms as are agreed upon by the Managers

(j) In connection with any of the agreements described above in this Section 3.14, the Partnership will enter into such other agreements as are required by any applicable tariff in order for the Partnership to develop and operate the Pipeline System, provided such agreements contain terms and conditions reasonably acceptable to the Managers in accordance with the Shareholders Agreement. Additionally, the Partnership and the Partners agree that nothing in this Limited Partnership Agreement imposes any obligation on any Person not party to this Agreement, including MichCon and Westcoast Energy Inc., to enter into or to negotiate any transaction, including the agreements referenced in this Section 3.14.

3.15 Rights of a Transferee.

(a) Subject to and without limiting the provisions of Sections 3.3, 3.6 and 3.7: (i) a Person to whom an interest in the Partnership is transferred in compliance with Sections 3.3, 3.6 and 3.7 has the right to be admitted to the Partnership as a Partner with the Partnership Interest

so transferred to such Person if the Partner making such transfer grants the transferee the right to be so admitted; (ii) an Affiliate under the circumstances described in Section 3.3(b) has the right to be admitted to the Partnership as a Partner with the Partnership Interest so transferred to the Affiliate; and (iii) .the Partnership or a Lending Partner (with the permission of the General Partner, which may be withheld in its Sole Discretion) may grant the purchaser of an Adverse Partner's interest in the Partnership at the foreclosure of the security interest therein granted pursuant to Section 5.5 the right to be admitted to the Partnership as a Partner with such Partnership Interest (with Partnership Voting Interest and Partnership Distribution Allocation no greater than those of the Partner effecting such Disposition prior thereto) as they may agree.

(b) The Partnership may not recognize for any purpose any purported Disposition of all or part of a Partnership Interest unless and until the other applicable provisions of this Limited Partnership Agreement have been satisfied, and the Partnership has received a document executed by both the Partner effecting the Disposition (or if the transfer is on account of the liquidation of the transferor, its representative) and the Person to which the Partnership Interest or part thereof is Disposed and which contains the following:

(i) the notice address of any Person to be admitted to the Partnership as a Partner and its agreement to be bound by this Limited Partnership Agreement in respect of the Partnership Interest or part thereof being obtained;

(ii) the Partnership Voting Interests and Partnership Distribution Allocations after the Disposition of:

(A) the Partner effecting the Disposition;

(B) and the Person to which the Partnership Interest or part thereof is Disposed (which together must total the Partnership Voting Interest and Partnership Distribution Allocation, respectively, of the Partner effecting the Disposition before the Disposition); and

(iii) a representation and warranty that the Disposition was made in accordance with all applicable Laws and regulations (including securities laws) and, if the Person to which the Partnership Interest or part thereof is Disposed is to be admitted to the Partnership, its representation and warranty that the representations and warranties in Section 3.2 are true and correct with respect to that Person.

(c) Each Disposition and, if applicable, admission complying with the provisions of this Section 3.15 is effective as of the first day of the calendar month immediately succeeding the first month in which (i) the Partnership has received the notification of Disposition and (ii) the other requirements of this Section 3.15 have been met.

3.16 Interests in U.S. Affiliates. Notwithstanding anything in this Limited Partnership Agreement to the contrary, if any Limited Partner's U.S. Affiliate Disposes of all or a portion of its U.S. Ownership Interest to any Person, then such Limited Partner will Dispose of a portion of its Partnership Interest to that same Person (or a Wholly-Owned

Affiliate of that Person) without further consideration (unless otherwise agreed by Unanimous Approval) as follows:

(a) such Limited Partner will Dispose of such portion of its Partnership Voting Interest as may be necessary to ensure that its Partnership Voting Interest is such that its U.S. Affiliate holds an Equivalent U.S. Affiliate Voting Interest in Dawn Gateway Pipeline, LLC; and

(b) such Limited Partner will Dispose of such portion of its Partnership Distribution Allocation that is equal to that Limited Partner's Partnership Distribution Allocation times a fraction, where (i) the numerator is equal to the U.S. Affiliate's U.S. Distribution Allocation after such Disposition and (ii) the denominator is equal to the U.S. Affiliate's U.S. Distribution Allocation before such Disposition.

ARTICLE IV

CAPITAL CONTRIBUTIONS AND BUDGETS

4.1 Initial Capital Contributions.

(a) Each Initial Partner (or if applicable, its predecessor in interest) has previously made capital contributions to the development of the Project as identified under the Interim Cost Sharing Agreement dated November 6, 2008 (as may have been amended from time to time). Such capital contributions shall be deemed to be Initial Capital Contributions made to the Partnership. The Partners will continue to contribute in accordance with the Interim Cost Sharing Agreement until such time as the Partners agree otherwise.

(b) No interest will be paid on any past or future Capital Contribution made by any Partner.

4.2 Capital Contributions. Without creating any rights in favor of any third party and except as otherwise expressly set forth in this Limited Partnership Agreement, each Limited Partner shall contribute to the Partnership, in cash, on or before the applicable Contribution Date in proportion to its Partnership Distribution Allocation multiplied by 100.010001%, all monies required by the Budget or necessary in the judgment of the General Partner to enable the Partnership to cause the assets of the Partnership to be prudently developed, operated and maintained and to discharge its costs, expenses, obligations, and liabilities. The General Partner will notify each Limited Partner of the need for Capital Contributions pursuant to this Section 4.2 when appropriate, which notice must include a statement in reasonable detail of the proposed uses of the Capital Contributions and the Contribution Date. The General Partner shall not be required to make any additional Capital Contributions and instead shall maintain its Partnership Interest in consideration for services rendered by it to the Partnership as General Partner.

4.3 Capital Contributions for System Expansions. A Limited Partner's determination of whether or not to participate in making the Capital Contribution required for a System Expansion approved in accordance with the Shareholders Agreement will be made in each Limited Partner's Sole Discretion. Each Limited Partner that so participates is

referred to in this Agreement as a "***Participating Partner***". Only Participating Partners shall be obligated to make a Capital Contribution requested for the purpose of a System Expansion.

(a) If not all Limited Partners are Participating Partners, then upon the System Expansion Commencement Date each Limited Partner's Partnership Voting Interest will be adjusted such that each Limited Partner's Partnership Voting Interest is equal to a percentage, rounded to the nearest one thousandth, obtained by multiplying 100 by a fraction:

(i) the numerator of which is equal to the sum, as of the System Expansion Commencement Date, of: (1) the balance of such Limited Partner's Capital Account, and (2) the balance of the U.S. Capital Account for such Limited Partner's U.S. Affiliate; and

(ii) the denominator of which is equal to the sum as of the System Expansion Commencement Date, of: (1) the balances of the Capital Accounts for all Limited Partners, and (2) the balances of the U.S. Capital Accounts for all of the U.S. Affiliates of the Limited Partners

(b) If not all Limited Partners are Participating Partners, then upon the System Expansion Commencement Date each Limited Partner's Partnership Distribution Allocation will be adjusted such that each Limited Partner's Partnership Distribution Allocation is equal to a percentage, rounded to the nearest one thousandth, obtained by multiplying 100 by a fraction:

(i) the numerator of which is equal to the balance of such Limited Partner's Capital Account as of the System Expansion Commencement Date; and

(ii) the denominator of which is equal to the sum of the balances of the Capital Accounts of all the Limited Partners as of the System Expansion Commencement Date.

(c) By way of example and for purposes of clarification only, Exhibit 4.3(c) sets forth an example of the adjustments under Sections 4.3(a) and (b) above.

(d) Each Participating Partner will be responsible for all costs thereof in direct proration of such Participating Partner's Partnership Distribution Allocation to the sum of the Partnership Distribution Allocations of all Participating Partners.

(e) To determine the adjustments required under Section 4.3(a) and 4.3(b) above, the Partnership will request that Dawn Gateway Pipeline, LLC provide such information to the Partnership as is necessary to calculate the balance of the U.S. Capital Account for the U.S. Affiliate of each Limited Partner as of the System Expansion Commencement Date. Any such information provided by Dawn Gateway Pipeline, LLC will be deemed to be Confidential Information subject to Section 3.10.

(f) The Partnership will respond to a request from Dawn Gateway Pipeline, LLC to provide such entity such information as is necessary to determine the Capital Account for each Partner provided that: (i) such information is requested to determine the respective U.S. Distribution Allocation and U.S. Voting Interest of the U.S. Affiliates that are members of that

entity, and (ii) the requesting party is required to keep such information confidential in accordance with requirements that are at least as protective as those set forth in Section 3.10.

(g) A Limited Partner may, at the time an election to participate in making a Capital Contribution for a System Expansion is made (which election must be made within five (5) days of the vote by the Board of Managers approving the System Expansion), condition such election on receiving any internal or other organizational approvals necessary for such participation, but all such approvals must be received within fifty-five (55) days of the date that the System Expansion was approved by the Board of Managers pursuant to the Shareholders Agreement. If the Limited Partner who so conditioned that election does not notify the Partnership and the Members in writing within that fifty-five (55) day period that such approvals were received, then that Limited Partner will not be a Participating Partner.

4.4 Return of Contributions. Except as may be specifically provided in this Limited Partnership Agreement, a Partner is not entitled to the return of any part of its Capital Contributions or to be paid interest in respect of either its Capital Account or its Capital Contributions. A Capital Contribution that is not returned is not a liability of the Partnership or of any Partner. A Partner is not required to contribute or to lend any cash or property to the Partnership to enable the Partnership to return any Partner's Capital Contributions.

4.5 Capital Accounts. A Capital Account will be established and maintained for each Partner in accordance with the following:

(a) Each Partner's Capital Account will be credited with:

(i) the Partner's Capital Contributions;

(ii) the Partner's distributive share of Profits; and

(iii) the amount of any Partnership liabilities assumed by the Partner or which are secured by any Property distributed to the Partner.

(b) Each Partner's Capital Account will be debited with:

(i) the amount of money and the Value of any property distributed to the Partner pursuant to any provision of this Limited Partnership Agreement;

(ii) the Partner's distributive share of Losses; and

(iii) the amount of any liabilities of the Partner that are assumed by the Partnership.

(c) In the event Partnership Interests are transferred in accordance with the terms and conditions of this Limited Partnership Agreement, the transferee will succeed to the Capital Account of the transferor in proportion to the Partnership Interest transferred.

(d) The interest of a Partner in the Partnership shall not terminate by reason of there being a negative or nil balance in the Partner's Capital Account. No Partner shall be responsible for any losses of any other Partner nor share in the income or, if applicable, allocation of tax deductible expenses attributable to any other Partner.

4.6 Budgets.

(a) Prior to the Commencement Date, the General Partner shall adopt Budgets which shall be for periods of time as determined by the General Partner.

(b) Subsequent to the Commencement Date, the General Partner shall adopt annual Budgets for the Partnership not later than one hundred and twenty (120) days prior to the beginning of each fiscal year. If Partners do not approve a new annual Budget for the following year by November 30 of the current year, a temporary budget will be applied equal to the then-current Budget times a factor of 1.05 unless and until such time a new budget is approved.

ARTICLE V

ADVERSE ACTS

5.1 Remedies.

(a) If an Adverse Act has occurred and is continuing with respect to any Limited Partner, any Non-Adverse Partner may:

(i) commence any of the procedures specified in Section 5.2; or

(ii) seek to enjoin such Adverse Act or to obtain specific performance of the Adverse Partner's obligations pursuant to Section 13.4 and Section 14.13 or obtain Damages (as defined and subject to the limitations specified below) in respect of such Adverse Act.

The foregoing remedies are not mutually exclusive, and, subject to the requirements of this Section 5.1 regarding the timing of the election of such remedies, selection or resort to any of the remedies specified does not preclude selection or resort to the others. The election of a remedy specified in Section 5.1(a)(i) above may be exercised by notice given to the Adverse Partner within ninety (90) days after the Limited Partner making such election obtains actual knowledge of the occurrence of such Adverse Act, including, if applicable, that any cure period has expired, provided that, if an election pursuant to Section 5.1(a)(ii) above is made to seek an injunction, specific performance or other equitable relief and a final judgment in such action is rendered denying such equitable remedy and no election was made pursuant to Section 5.1(a)(i) above, then, by notice given within twenty (20) days after such final judgment is rendered, the Non–Adverse Partner may elect to pursue the remedies specified in Section 5.1(a)(i) above unless (x) prior to the giving of such notice, the Adverse Partner has cured in full (or caused to be cured in full) the Adverse Act in question and no other Adverse Act with respect to such Adverse Partner has occurred and is continuing or (y) the final judgment denying equitable relief specifically held that there was no Adverse Act. Except as provided in this Article V and

notwithstanding any other provision in this Limited Partnership Agreement, the failure to elect a remedy with respect to the subject Adverse Act within the time period provided above will be conclusively presumed to be a waiver of the remedies provided in this Article V with respect to the subject Adverse Act. Unless resort to such remedy has been waived as set forth in the immediately preceding sentence, the General Partner, for and on behalf of the Partnership, is entitled to recover from the Adverse Partner in an appropriate proceeding any and all damages, costs, liabilities, fines, penalties, losses and expenses (including reasonable attorneys' fees and disbursements) (collectively, "***Damages***") suffered or incurred by the Partnership as a result of such Adverse Act, provided that the General Partner may not recover or assert any claim against the Adverse Partner for punitive Damages or for indirect, special, or consequential Damages suffered or incurred by the Partnership as a result of an Adverse Act, and provided further that the amount the General Partner may recover in any action for Damages will be reduced by an amount equal to any positive difference between the Net Equity of the Adverse Partner's Partnership Interest and the applicable Buy-Sell Price. The resort to any remedy pursuant to this Section 5.1(a) will not for any purpose be deemed to be a waiver of any remedy not described in this Section 5.1(a) and otherwise available under this Limited Partnership Agreement or under applicable Law.

(b) If the Partnership is dissolved at any time as a result of a Dissolution Event that occurs prior to a remedy having been elected pursuant to Section 5.1(a) with respect to any Adverse Partner, the time periods for such election expire upon the Dissolution Event and the General Partner, for and on behalf of the Partnership, will deduct from any amounts to be paid to such Adverse Partner pursuant to Section 12.2 that amount that it reasonably estimates to be sufficient to compensate the Non-Adverse Partners for Damages incurred by them as a result of the Adverse Act (subject to the limitations of Section 5.1(a)) and will pay the same to the Non-Adverse Partners on behalf of the Adverse Partner.

5.2 Adverse Act Procedures. Pursuant to Section 5.1(a), the Non-Adverse Partners and, if applicable, the General Partner, for and on behalf of the Partnership, may commence any of the following procedures:

(a) Purchase of the Adverse Partner's Partnership Interest. Under this procedure, the Adverse Partner is obligated to sell all but not less than all of the Adverse Partner's Partnership Interest in accordance with this Section 5.2(a) and the Adverse Partner's Canadian Affiliate is obligated to sell its Canadian Affiliate's Canadian Affiliate Ownership Interest in accordance with the Shareholders Agreement:

(i) The purchase price (the "***Buy-Sell Price***") will be equal to:

(A) in the case of any Adverse Act (other than an Adverse Act identified in subparagraph (e) of the definition of "*Adverse Act*"), 99.99% of ninety percent (90%) of the Net Equity, and

(B) in the case of an Adverse Act specified in subparagraph (e) of the definition of "*Adverse Act*", 99.99% of the Net Equity.

(ii) The Net Equity of the Adverse Partner's Partnership Interest will be determined in accordance with Section 5.3(b) as of the last day of the fiscal quarter immediately preceding the fiscal quarter in which notice of the election of this procedure (an "***Election Notice***") was given to the Adverse Partner.

(iii) The Election Notice must designate the First Appraiser and the Adverse Partner must appoint the Second Appraiser within ten (10) Business Days of receiving such notice designating the First Appraiser.

(iv) For a period ending at 11:59 p.m. (local time at the Partnership's principal office) on the thirtieth (30th) day following the day on which notice of the Adverse Partner's Net Equity is given pursuant to Section 5.3(b) (the "***Election Period***"), each Non-Adverse Partner, may elect to purchase, or designate an Affiliate to purchase, the Partnership Interest of the Adverse Partner by providing written notice (a "***Purchase Notice***") to the Adverse Partner and to the other Partners, which notice must state that such Non-Adverse Partner, or such designated Affiliate (in each case, a "***Purchasing Partner***"), is willing to purchase the Partnership Interest of the Adverse Partner. If more than one Non-Adverse Partner elects to purchase the Partnership Interest of the Adverse Partner, then each Purchasing Partner will be permitted and required to purchase a portion of such Partnership Interest calculated on a Per Capita Basis of the Purchasing Partners or in such other proportions as the Purchasing Partners mutually agree in writing. Notwithstanding the preceding sentences, the Non-Adverse Partners, upon the unanimous consent of such Partners, may elect to cause the Partnership to redeem the Partnership Interest of the Adverse Partner as opposed to acquiring such Partnership Interest among the Non-Adverse Partners provided such redemption results in the same economic results to the Adverse Partner as a purchase of such Partnership Interest. Notwithstanding the preceding sentences, if the Non-Adverse Partners do not elect to purchase (or cause the Partnership to redeem) the entire Partnership Interest of the Adverse Partner, then the Adverse Partner shall not be obligated to sell (or surrender for redemption) any portion of its Partnership Interest to the Non-Adverse Partners.

(v) Unless the Purchasing Partners and the Adverse Partner otherwise agree, the closing of the purchase and sale (or redemption if applicable) of the Adverse Partner's Partnership Interest will take place at the principal office of the Partnership at 10:00 a.m. (local time at the place of the closing) on the first Business Day occurring on or after the thirtieth (30th) day following the last day of the Election Period (subject to Section 5.4). At the closing, the Purchasing Partners will pay to the Adverse Partner, by cash or other immediately available funds, the Buy-Sell Price for the Adverse Partner's Partnership Interest and the Adverse Partner must deliver to the Purchasing Partners good title, free and clear of any liens or encumbrances (other than those created by this Limited Partnership Agreement), to the Adverse Partner's Partnership Interest thus purchased. At the closing, the Partners will execute such documents and instruments of conveyance as may be necessary or appropriate to effectuate the transactions contemplated hereby, including the Disposition of the Adverse Partner's Partnership Interest to the Purchasing Partners or their Affiliates. Each Partner will bear its own costs of such Disposition and closing, including reasonable attorneys' fees and filing fees. The cost of determining the

Net Equity will be borne one-half by the Adverse Partner and one-half by the Purchasing Partners (or, if redeemed, one half by the Partnership).

(vi) In conjunction with any purchase of an Adverse Partner's Partnership Interest pursuant to this Section 5.2(a), each Purchasing Partner shall be obligated to purchase, of have its Affiliate purchase, the Canadian Affiliate Ownership Interest of the Adverse Partner's Canadian Affiliate in accordance with the Shareholders Agreement.

(b) If the Adverse Act is a Capital Contribution Failure, then under this procedure, the General Partner, for and on behalf of the Partnership, may, with the required level of approval under the Shareholders Agreement, take such action (including court proceedings) as appropriate to obtain payment by the Adverse Partner of the portion of the Adverse Partner's Capital Contribution that is in default and obtain Damages in respect of such Capital Contribution Failure, together with interest thereon at the Default Interest Rate from the date that the Capital Contribution was due and payable and the Damages are incurred until the date that all such is paid in full, all at the cost and expense of the Adverse Partner.

(c) If the Adverse Act is a Capital Contribution Failure, then under this procedure, the Non-Adverse Partners may, on a Per Capita Partnership Distribution Allocation Basis or in such other percentages as they may agree (the "***Lending Partner***," whether one or more and if more than one any action to be taken by the Lending Partners requires the affirmative vote of a majority of Lending Partners based upon the percentage of the loan made by such Lending Partners), advance the portion of the Adverse Partner's Capital Contribution that is in default, with the following results:

(i) the sum advanced constitutes a loan from the Lending Partner to the Adverse Partner and a Capital Contribution of that sum to the Partnership by the Adverse Partner pursuant to the applicable provisions of this Limited Partnership Agreement,

(ii) the principal balance of the loan and all accrued unpaid interest thereon is due and payable in whole on the twentieth (20th) day after written demand therefor by the Lending Partner to the Adverse Partner,

(iii) the amount loaned shall bear interest at the Default Interest Rate from the day that the advance is deemed made until the date that the loan, together with all interest accrued on it, is repaid in full to the Lending Partner,

(iv) all distributions from the Partnership that otherwise would be made to the Adverse Partner (whether before or after dissolution of the Partnership) instead will be paid to the Lending Partner until the loan and all interest accrued on it have been paid in full to the Lending Partner (with payments being applied first to accrued and unpaid interest and then to principal),

(v) the payment of the loan and interest accrued thereon shall be secured by a security interest in the Adverse Partner's Partnership Interest, as more fully set forth in Section 5.5,

(vi) if there is more than one Lending Partner then all payments, distributions and collections in payment of the loan shall be allocated among the Lending Partners based upon the percentage of the loan made by each Lending Partner, and

(vii) the Lending Partner has the right, in addition to the other rights and remedies granted to it pursuant to this Limited Partnership Agreement or available to it at law or in equity, to take any action (including court proceedings) that the Lending Partner may deem appropriate to obtain payment by the Adverse Partner of the loan and accrued and unpaid interest on it, at the cost and expense of the Adverse Partner;

(d) If the Adverse Act is a Capital Contribution Failure, then under this procedure, the Non-Adverse Partners may, on a Per Capita Partnership Distribution Allocation Basis or in such other percentages as they may agree (the "***Diluting Partner***," whether one or more and if more than one any action to be taken by the Diluting Partners requires the affirmative vote of a majority of Diluting Partners based on the percentage of the contribution made by such Diluting Partners), advance the portion of the Adverse Partner's Capital Contribution that is in default, with the following results:

(i) the sum advanced constitutes a Capital Contribution of that sum to the Partnership by the Diluting Partner,

(ii) subject to Section 5.2(d)(v) below, the respective Partnership Distribution Allocations of the Partners shall be reallocated as follows: the Partnership Distribution Allocation of the Diluting Partner shall be increased by the amount of basis points equal to the lesser of (A) the Partnership Distribution Allocation of the Adverse Partner or (B) a fraction the numerator of which is equal to two hundred percent (200%) of the amount of the required Capital Contribution the Diluting Partner has made pursuant to this Section 5.2(d) and the denominator of which is equal to the amount of Capital Contributions made by all Partners through and including the date such Diluting Partner has made the required Capital Contribution; the Partnership Distribution Allocation of the Adverse Partner shall be reduced by the same amount but not reduced below zero,

(iii) the respective Partnership Voting Interests of the Partners shall be reallocated as follows: the Partnership Voting Interest of the Diluting Partner shall be increased by the amount of basis points equal to the lesser of (A) the Partnership Voting Interest of the Adverse Partner or (B) a fraction the numerator of which is equal to two hundred percent (200%) of the amount of the required Capital Contribution the Diluting Partner has made pursuant to this Section 5.2(d) and the denominator of which is equal to the amount of Capital Contributions made by all Partners through and including the date such Diluting Partner has made the required Capital Contribution; the Partnership Voting Interest of the Adverse Partner shall be reduced by the same amount but not reduced below zero,

(iv) all future distributions from the Partnership will be made to the Adverse Partner and Diluting Partner based on their revised Partnership Distribution Allocations.

(v) if the Partnership Voting Interest of the Adverse Partner is reduced to zero, then the Partnership Distribution Allocation of the Adverse Partner shall be reduced by the amount of basis points necessary to reduce the Adverse Partner's Partnership Distribution Allocation to zero and the Partnership Distribution Allocation of the Diluting Partner shall be increased by the same amount.

(e) If the Adverse Act is a Capital Contribution Failure, the Non-Adverse Partners may, on a Per Capita Partnership Distribution Allocation Basis or in such other percentages as they may agree, advance the portion of the Adverse Partner's Capital Contribution that is in default in amounts allocated to any combination of loans and dilution pursuant to subparagraphs (c) and (d) above.

(f) If the Adverse Act is a Capital Contribution Failure and the then Non-Adverse Partners advance the full amount of the Adverse Partner's Capital Contribution that is in default as loans or dilution pursuant to subparagraphs (c) or (d) above then such Adverse Act shall be deemed cured upon the advancement of the full amount in default by the Lending Partner or Diluting Partner, as applicable.

5.3 Gross Appraised Value and Net Equity.

(a) As used in this Article V, "***Gross Appraised Value,***" as of any day, is the price at which a willing seller would sell, and a willing buyer would buy, the Property, free and clear of all liens, security interests, or other encumbrances, in an arm's-length transaction for cash, without time constraints and without being under any compulsion to buy or sell.

(b) As used in this Article V, the "***Net Equity***" of a Partner's Partnership Interest, as of any day, is the amount that would be distributed to such Partner in liquidation of the Partnership pursuant to Article XII if (i) the Partnership's business were sold substantially as an entirety for the Gross Appraised Value, (ii) the Partnership paid, or established reserves pursuant to Article XII for the payment of, all Partnership liabilities, and (iii) the Partnership distributed the remaining proceeds to the Partners in liquidation, all as of such day. The Net Equity of a Partner's Partnership Interest is to be determined, without audit or certification, from the books and records of the Partnership by the Partnership's accountants. The Net Equity of a Partner's Partnership Interest must be determined within thirty (30) days after the Partnership's accountants are apprised in writing of the Gross Appraised Value, and the amount of such Net Equity will be disclosed to each of the Partners by written notice. The Net Equity determination of the accountants is final and binding unless it is manifestly erroneous.

(c) Each provision of this Limited Partnership Agreement that requires a determination of Gross Appraised Value also provides the manner and time for the appointment of two (2) appraisers (the "***First Appraiser***" and the "***Second Appraiser***"). If the Second Appraiser is not timely designated, the First Appraiser will determine the Gross Appraised Value. The First Appraiser, or each of the First Appraiser and the Second Appraiser if the Second Appraiser is timely designated, must submit its calculation of the Gross Appraised Value to the Partnership, the Partners and the accountants within thirty (30) days of the date of its selection (or the selection of the Second Appraiser, as applicable). If there are two (2) Appraisers and their respective determinations of the Gross Appraised Value vary by less than ten percent

(10%) of the higher determination, the Gross Appraised Value is the average of the two determinations. If such determinations vary by ten percent (10%) or more of the higher determination, the First Appraiser and the Second Appraiser must promptly designate a third appraiser (the "***Third Appraiser***") (the First Appraiser, the Second Appraiser and the Third Appraiser are herein referred to individually as an "***Appraiser***" and collectively, the "***Appraisers***"). Neither the Partnership nor any Partner will provide, and the First Appraiser and the Second Appraiser will be instructed not to provide, any information to the Third Appraiser as to the determinations of the First Appraiser and the Second Appraiser or otherwise influence such Third Appraiser's determination in any way. The Third Appraiser will submit its determination of the Gross Appraised Value to the Partnership, the Partners and the accountants within thirty (30) days of the date of its selection. In such cases, the Gross Appraised Value is equal to the average of the two closest of the three determinations, provided that, if the difference between the highest and middle determinations is no more than one hundred and five percent (105%) and no less than ninety-five percent (95%) of the difference between the middle and lowest determinations, then the Gross Appraised Value is equal to the middle determination. The determination of the Gross Appraised Value in accordance with the foregoing procedure is final and binding on the Partnership and each Partner. If any Appraiser is only able to provide a range in which Gross Appraised Value would exist, the average of the highest and lowest value in such range is considered to be such Appraiser's determination of the Gross Appraised Value of the Partnership's Property. Each Appraiser selected pursuant to the provisions of this Article V must be a qualified Person with prior experience in appraising businesses comparable to the business of the Partnership and that is not an interested person with respect to any Partner.

5.4 Extension of Time.

(a) If any Disposition of a Partner's Partnership Interest in accordance with this Article V or Article III requires the consent, approval, waiver, or authorization of any Governmental Authority as a condition to the lawful and valid Disposition of such Partner's Partnership Interest to the proposed transferee, then each of the time periods provided in this Article V or Article III, as applicable, for the closing of such Disposition is suspended for the period of time during which any such consent, approval, waiver, or authorization is being diligently pursued, *provided, however*, that in no event may the suspension of any time period pursuant to this Section 5.4 extend for more than three hundred sixty-five (365) days other than in the case of a purchase of an Adverse Partner's Partnership Interest. Each Partner agrees to use its diligent efforts to obtain, or to assist the affected Partner in obtaining, any such consent, approval, waiver, or authorization and will cooperate and use its diligent efforts to respond as promptly as practicable to all inquiries received by it, by the affected Partner or by the Partnership from any Governmental Authority for initial or additional information or documentation in connection with such consent.

(b) If any Disposition of a Partner's Partnership Interest in accordance with this Article V requires internal or other organizational approvals as a condition to the Disposition of such Partner's Partnership Interest to the proposed transferee, then each of the time periods provided in this Article V for the closing of such Disposition is suspended for the period of time during which any such consent, approval, waiver, or authorization is being diligently pursued,

provided, however, that in no event may the suspension of any time period pursuant to this Section 5.4 extend for more than sixty (60) days.

5.5 Grant of Security Interest. Each Limited Partner hereby grants to the General Partner, for and on behalf of the Partnership (and to each Lending Partner with respect to any loans made by the Lending Partner to that Limited Partner as an Adverse Partner pursuant to Section 5.2(c)), as security (equally and ratably) for the payment of all Capital Contributions that such Limited Partner has agreed to make (and the payment of all loans and interest on them made by Lending Partners to that Limited Partner as an Adverse Partner pursuant to Section 5.2(c)), a security interest in and a general lien on its Partnership Interest and the proceeds thereof, all under the PPSA. Upon any default in the payment of a Capital Contribution (or in the payment of such a loan or interest accrued thereon), the General Partner, for and on behalf of the Partnership (or the Lending Partner, as applicable) is entitled to all the rights and remedies of a secured party under the PPSA with respect to the security interest granted in this Section 5.5. Each Limited Partner shall execute and deliver such financing statements and other documents to the General Partner, for and on behalf of the Partnership (and the Lending Partners, as applicable) who may request same to effectuate and carry out the preceding provisions of this Section 5.5. At the option of any Partner (or a Lending Partner), this Limited Partnership Agreement or a copy hereof may serve as a financing statement.

5.6 Loss of Voting Rights. In addition to the remedies set forth in this Article V, so long as a Partner remains an Adverse Partner, the Adverse Partner shall have no voting rights pursuant to this Limited Partnership Agreement.

ARTICLE VI

ALLOCATIONS

6.1 General Allocations. Profits and Losses for each Allocation Year will be allocated among the Partners in proportion to their Partnership Distribution Allocations. In determining Profit or Loss in a particular Allocation Year, the General Partner shall cause the Partnership to deduct capital cost allowance and other permissive deductions, as the General Partner so determines, in its Sole Discretion.

6.2 Tax Returns. Each Partner shall prepare and file such documents as may be required to be prepared and filed under the Tax Act and other similar legislation to which the Partner may be subject and shall include in its computation of income the Profit or Loss of the Partnership for tax purposes as may be determined and allocated to it pursuant to this Article VI.

6.3 SIFT Partnership. The General Partner will not permit any interests in the Partnership to be listed or traded on a stock exchange. The General Partner will use reasonable efforts to ensure that any interests in the Partnership are not traded on a "public market" within the meaning of the Tax Act (which, for greater certainty, includes any trading system or other organized facility on which securities that are qualified for distribution are listed or traded, but does not include a facility that is operated solely to carry out the issuance

of a "security" (as defined in subsection 122.1(1) of the Tax Act) or its redemption, acquisition or cancellation by its issuer). Notwithstanding any other provision of this Limited Partnership Agreement, a transfer of any interests in the Partnership will not be effective, will be void from the outset, and the General Partner will be deemed not to have consented thereto if it was to have occurred on a "public market" within the meaning of the Tax Act (which, for greater certainty, includes any trading system or other organized facility on which securities that are qualified for distribution are listed or traded, but does not include a facility that is operated solely to carry out the issuance of a "security" (as defined in subsection 122.1(1) of the Tax Act) or its redemption, acquisition or cancellation by its issuer), unless the General Partner provided advance written consent of both (i) the general terms of the transfer and (ii) that the transfer occur on a "public market" with the meaning of the Tax Act.

6.4 Price Adjustment and Determination of Fair Market Value.

(a) If at any time the Value of a Capital Contribution or the Value of a distribution is determined to be different from the amount used when a Capital Contribution or a distribution was made (including the Initial Capital Contribution), whether:

(i) by a tribunal or court of competent jurisdiction, from which all appeal rights have been exhausted or have expired;

(ii) by agreement with the Canada Revenue Agency or other competent taxing authority; or

(iii) by agreement of the Partners,

then the Partnership Distribution Allocation, Partnership Voting Interest and Capital Account of each of the Partners shall be adjusted as necessary and appropriate, effective as at the date the Capital Contribution or distribution was made, to reflect the revaluation and all other adjustments and payments which may be required to reflect such adjustments to the Partnership Distribution Allocations, Partnership Voting Interests and Capital Accounts shall forthwith be made between the proper Partners.

(b) If the Partners cannot agree on the Value of the Capital Contribution or the Value of the distribution immediately thereafter for purposes of determining their Partnership Distribution Allocations, Partnership Voting Interests and Capital Accounts immediately after the Capital Contribution or distribution was made, such amount will be determined by arbitration in accordance with this Limited Partnership Agreement.

6.5 Other Allocation Rules. For purposes of determining the Profits, Losses or any other items allocable to any period, Profits, Losses and any such other items will be determined by the General Partner, provided that such determination is not inconsistent with the Tax Act.

6.6 Excise Tax Act. The General Partner, on behalf of the Partnership will have the responsibility to account for any obligations or entitlements arising out of or under the

Excise Tax Act in respect of Partnership operations and activities. The General Partner, on behalf of the Partnership, will also have the responsibility to collect and remit amounts as contemplated or required under the Excise Tax Act in respect of Partnership operations and activities, and will use its best efforts to ensure all filings and other compliance requirements associated with the foregoing are satisfied in a timely fashion

ARTICLE VII

DISTRIBUTIONS

7.1 **Distributions**. Within thirty (30) days before the end of each Quarter, the General Partner shall determine to what extent (if any) the Partnership's cash on hand exceeds its current and anticipated needs, including its operating expenses, debt service, acquisitions and a reasonable contingency reserve. If such an excess exists, the Board of Managers will then vote in accordance with the Shareholders Agreement to distribute such excess to the Partners (other than to an Adverse Partner). Except as provided in Article XII, all distributions to the Partners will be in proportion to their respective Partnership Distribution Allocations.

7.2 **Limitations on Distributions**. The Partnership may not make any distributions to the Partners except in accordance with the Act and:

(a) as provided in Section 7.1; or

(b) as otherwise approved by the Board of Managers in accordance with the Shareholders Agreement.

ARTICLE VIII

MANAGEMENT OF THE PARTNERSHIP

8.1 **Management by General Partner**.

(a) Subject to the provisions of this Limited Partnership Agreement, the powers of the Partnership will be exercised by or under the authority of, and the business and affairs of the Partnership will be managed by the General Partner, which will conduct, direct and exercise control over all activities of the Partnership and will have full power and authority on behalf of the Partnership to manage and administer the business and affairs of the Partnership and to do or cause to be done any and all acts deemed by it to be necessary or appropriate to conduct the business of the Partnership. The Limited Partners shall not have any management power over the business and affairs of the Partnership or actual or apparent authority to enter into contracts on behalf of, or to otherwise bind, the Partnership.

(b) The General Partner shall not have authority to take any action contrary to the terms of this Limited Partnership Agreement, the Shareholders Agreement, any loan or security documentation to which the Partnership is a party, or, subject to the rest of this Section 8.1(b), applicable Law. Subject to provisions otherwise in this Limited Partnership Agreement and the

Shareholders Agreement, to the greatest extent permitted by the Act and applicable similar legislation in other jurisdictions where the Partnership is required to be registered, any and all restrictions of and limitations on the rights, powers and authority of the General Partner that may be removed, waived or otherwise avoided by agreement of the Partners, including the restrictions contained in Section 8 of the Act, are hereby removed, waived and avoided.

(c) An action taken by the General Partner on behalf of the Partnership in accordance with the terms of this Limited Partnership Agreement and the terms of the Shareholder Agreement is deemed to be the act of the Partnership and binds the Partnership.

8.2 Exercise of Duties. The General Partner covenants that it will exercise the powers and discharge its duties under this Limited Partnership Agreement honestly, in good faith and in the best interests of the Partnership, and that it will exercise the degree of care, diligence and skill that a reasonably prudent Person would exercise in comparable circumstances.

8.3 Other Matters Concerning the General Partner.

(a) The General Partner may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture, or other paper or document believed by it to be genuine and to have been signed or presented by the proper Person.

(b) The General Partner may consult with legal counsel, accountants, appraisers, management consultants, investment bankers and other consultants and advisers selected by it, and any act taken or omitted in reliance upon the opinion (including an opinion of counsel) of such Persons as to matters that the General Partner reasonably believes to be within such Person's professional or expert competence shall be conclusively presumed to have been taken or omitted in good faith and in accordance with such opinion.

(c) Any standard of care or duty imposed under any applicable Law shall be modified, waived or limited as required to permit the General Partner to act under this Limited Partnership Agreement or any other agreement contemplated by this Limited Partnership Agreement, so long as such action is reasonably believed by the General Partner to be in and, in any event, not opposed to, the best interests of the Partnership.

8.4 Expenses. The Partnership shall reimburse the General Partner for all reasonable professional, legal, accounting, managerial and administrative costs and expenses incurred by the General Partner in the performance of its duties hereunder including reasonable costs and expenses directly incurred for the benefit of the Partnership, but specifically excluding expenses of any action, suit or other proceedings in which or in relation to which the General Partner is adjudged to be in breach of any duty or responsibility imposed on it hereunder.

8.5 Removal and Appointment of General Partner. The General Partner may be removed at any time after the Commencement Date by Unanimous Approval of the Limited Partners provided that such Unanimous Approval appoints and admits a new General

Partner to the Partnership and such new General Partner agrees to be bound by this Limited Partnership Agreement in place of the General Partner so removed and further provided that all acts of the removed General Partner prior to its removal will continue to bind the Partnership.

8.6 Transfer to New General Partner. On the admission of a new General Partner to the Partnership upon the removal of the General Partner, the removed General Partner will do all things and take all steps to transfer the Partnership Interest held by such removed General Partner, the administration, management, control and operation of the business of the Partnership, and the books, records and accounts of the Partnership to the new General Partner, and will execute and deliver all deeds, certificates, declarations and other documents necessary or desirable to effect such transfer in a timely fashion, including the transfer of any title to any Property held by the removed General Partner, to such new General Partner.

8.7 Release by Partnership. On the removal of the General Partner, the Partnership shall release and hold harmless the removed General Partner and its directors, officers, shareholders, employees and agents from any costs, expenses, damages or liabilities suffered or incurred by the removed General Partner as a result of or arising out of events which occur in relation to the Partnership after such removal.

8.8 New General Partner. A new General Partner shall sign a counterpart hereof and shall agree to be bound by all of the provisions hereof and to assume the obligations, duties and liabilities of the General Partner hereunder as and from the date thereof.

8.9 Powers and Limitation of Authority of Limited Partners.

(a) A Limited Partner may exercise all rights or powers provided to limited partners by the Act and the provisions of similar legislation in other jurisdictions where the Partnership is required to be registered, except to the extent that any such exercise is inconsistent with, or contrary to, any provision of this Limited Partnership Agreement or the Act. No Limited Partner, as such, shall:

(i) take any part in the management or control of the business or affairs or transact any business for or on behalf of the Partnership;

(ii) execute any document which binds or purports to bind any other Partner or the Partnership; or

(iii) hold itself out as having the authority to bind any other Partner or the Partnership.

(b) Unless the Partners have given Unanimous Approval of the matter, no Limited Partner shall:

(i) bring any action for partition or sale, or otherwise, in connection with the Partnership or any interest in any property of the Partnership, whether real or personal,

tangible or intangible, or file, register or permit to be filed, registered or remain undischarged, any lien or charge in respect of its interest in the Partnership or the Property;

(ii) compel or seek a partition, judicial or otherwise, of any of the assets of the Partnership distributed or to be distributed in kind to the Partners pursuant to this Limited Partnership Agreement; or

(iii) bring any action for the dissolution or winding-up of the Partnership.

8.10 Liability of Partners.

(a) Except as set forth in this Limited Partnership Agreement or the Act and the provisions of similar legislation in other jurisdictions where the Partnership is required to be registered, the liability of each Limited Partner for the debts, liabilities and obligations of the Partnership shall be limited to its Capital Contributions plus its pro rata share of any undistributed Profits of the Partnership.

(b) The General Partner has unlimited liability for the Losses, liabilities and obligations of the Partnership.

(c) The General Partner shall use commercially reasonable efforts to insert the following clause in all contracts or agreements to which the Partnership is a party or by which it is bound:

"Dawn Gateway Pipeline Limited Partnership is a limited partnership formed under the *Limited Partnerships Act* (Ontario). The parties hereto agree that the limited partners of the Dawn Gateway Pipeline Limited Partnership shall not be personally liable to [the counterparty], nor may recourse be had by [the counterparty] against the limited partners, for any of the liabilities of the Dawn Gateway Pipeline Limited Partnership".

8.11 Delegation of Authority and Duties. The General Partner may, from time to time and in accordance with the Shareholders Agreement, delegate to one or more officers, employees of the General Partner or any Person such authority and duties as the General Partner may deem advisable.

8.12 Transactions Involving Interested Partners.

(a) The Partnership may enter into a contract or transaction between the Partnership and a Partners, its Affiliates or their respective Managers, directors, officers or employees, or between the Partnership and any other entity in which one or more such Persons owns a financial interest or of which such Person is an Affiliate, Manager, officer, director or employee, provided the terms and conditions of those contracts or transactions are no less favorable than those the Partnership could obtain from unrelated third parties and such contracts or transactions are authorized or approved pursuant to this Partnership Agreement. Interested Partners may be counted in determining the presence of a quorum at a meeting of the Partners that authorizes the contract or transaction in question.

(b) Notwithstanding any other provision in this Agreement, if the Partnership and a Partner, its Affiliates or their respective Managers, directors, officers or employees propose to enter into a contract or amend (each of which, for purposes of clarification, would be subject to the requirements set forth in Section 8.12(a) above), or exercise any rights under, an existing contract or arrangement between the Partnership and such Person (a "***Contract Decision***"), or if a dispute arises between the Partnership and a Partner, its Affiliates or their respective Managers, directors, officers or employees under any contract or arrangement between the Partnership and such Person (a "***Contract Dispute***"), (i) such Partner shall not participate in (by its Canadian Affiliate appointed Manager's vote on the Board of Managers or otherwise) the decisions of the Partnership with respect to such Contract Decision or Contract Dispute, and (ii) the determination of whether Majority Approval has been obtained concerning any matter relating to such Contract Decision or Contract Dispute shall be calculated without reference to such Partner's Voting Interest; provided however, if at the time there are only two Partners of the Partnership that are not Affiliates of one another, any such Contract Decision or Contract Dispute that is not resolved by discussion among the Board of Managers shall be resolved in accordance with Article XIII. For the purposes of this Section 8.12(b), if there are more than two Partners at the time of a Contract Decision or Contract Dispute, any Partners that are Affiliates of each other shall collectively constitute one Partner.

8.13 Insurance. During the term of this Limited Partnership Agreement, the General Partner, for and on behalf of the Partnership, will at all times carry and maintain in full force and effect such insurance as the General Partner deems reasonably necessary for the operation of the business of the Partnership including officer and director or equivalent liability coverage pursuant to Section 9.6, if appropriate. The premiums for any such insurance coverage will be an expense borne by the Partnership. The Partners and their respective Affiliates will be named as additional insureds under such policies in such business or individual capacities as may be deemed appropriate by the General Partner to effectuate the intent of this provision.

8.14 Meetings of the Partners.

(a) Meetings of the Partners may be called by the General Partner or Limited Partners who are record owners of Partnership Voting Interests which aggregate at least twenty percent (20%) in amount of the total of all Partnership Voting Interests. Any such meeting shall be held on such date and at such time and place as the Person calling such meeting shall specify in the notice of the meeting, which shall be delivered to each Partner at least twenty (20) days prior to such meeting. Only business within the purpose or purposes described in the notice (or waiver thereof) for such meeting may be conducted at such meeting.

(b) Written or printed notice stating the place, day and hour of the meeting, and in the case of a special meeting, the purposes for the meeting, must be delivered not less than twenty (20) nor more than sixty (60) days before the date of the meeting to each Partner entitled to vote at such meeting.

(c) At any time that the Partnership has in excess of five (5) Partners, the Partnership will make, at least twenty (20) days before each meeting of Partners, a complete list of the Partners entitled to vote at such meeting, arranged in alphabetical order, with the address of and

the Partnership Voting Interest held by each, which list, for a period of twenty (20) days prior to such meeting, will be kept on file at the registered office or the principal place of business of the Partnership and may be inspected by any Partner at any time on a Business Day during usual business hours. Such list will also be produced and kept open at the time and place of the meeting and may be inspected by any Partner during the whole time of the meeting. The original membership records are prima facie evidence as to who are the Partners entitled to examine such voting list or to vote at any meeting of Partners. Failure to comply with the requirements of this Section 8.14(c) does not affect the validity of any action taken at the meeting.

(d) The Partners may not do or perform any acts specified in Exhibit 8.14(d) without Super Majority Approval, except as expressly provided otherwise on Exhibit 8.14(d).

(e) The Partners may not do or perform any acts specified in Exhibit 8.14(e) without Unanimous Approval.

8.15 Provisions Applicable to All Meetings. In connection with any meeting of the Partners the following provisions shall apply:

(a) Place of Meeting. Any meeting shall be held at the principal place of business of the Partnership, unless the notice of such meeting specifies a different place, which need not be in the Province of Ontario.

(b) Meetings by Telephone. Partners may participate in and hold such meeting by means of conference telephone, videoconference, or similar communications equipment or another suitable electronic communications system, including the Internet, or any combination, provided all Persons participating in the meeting can hear each other.

(c) Waiver of Notice Through Attendance. Attendance of a Person at such meeting shall constitute a waiver of notice of such meeting, except where such Person attends the meeting for the express purpose of objecting and does so object at the beginning of the meeting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

(d) Written Waiver of Notice. Any Partner entitled to receive notice of a meeting may waive such notice by providing to the General Partner a written waiver of notice either before or after such meeting.

(e) Adjournment. A Majority of Partners who are present at a meeting of such respective bodies may adjourn such meeting to another time and place. Notice of a time and place of holding an adjourned meeting need not be given unless the meeting is adjourned for more than two (2) Business Days. If the meeting is adjourned for more than two (2) Business Days, then notice of a time and place of the adjourned meeting shall be given before the adjourned meeting takes place, in the same manner and timing as specified herein for the initial meeting.

(f) Proxies. A Partner may vote at such meeting by a written proxy executed by that Person and delivered to the General Partner. A proxy shall be revocable unless it is stated to be irrevocable. No proxy will be valid after eleven (11) months from the date of its execution unless

the proxy form conspicuously states that the proxy is irrevocable and the proxy is coupled with an interest. If a proxy designates more than one (1) Person to act as proxy, unless that instrument provides to the contrary, a majority of such Persons present at any meeting at which their proxy powers are to be exercised will have and may exercise all the powers of voting or giving consents conferred by the proxy, or, if only one (1) is present, then such powers may be exercised by that one; or, if an even number attend and a majority do not agree on any particular issue, the General Partner is not required to recognize such proxy with respect to such issue if the proxy does not specify how the Partnership Interest that is the subject of such proxy is to be voted with respect to such issue.

(g) Action by Written Consent. Except for a vote on whether to approve a System Expansion, any action required or permitted to be taken at such a meeting may be taken without a meeting and without a vote if a consent or consents in writing, setting forth the action so taken, is signed and dated by the Partners having not fewer than the minimum number of votes that would be necessary to take the action at a meeting at which all Partners entitled to vote on the action were present and voted. In the event such action is taken with less than a unanimous vote then prior to such action notice must be provided as required pursuant to this Limited Partnership Agreement as if such action was going to be taken at a meeting. In the event action is taken without a meeting as provided herein, copies of such consent or consents shall be promptly provided to all Partners that do not participate in such consent or consents. The record date for determining Partners entitled to consent to an action in writing without a meeting is the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Partnership by delivery to its registered office or its principal place of business.

(h) Signatures. The General Partner, for and on behalf of the Partnership, may accept signatures by means of any symbol executed or adopted by a Person with present intention to authenticate a writing including a digital signature, an electronic signature, or a facsimile of a signature.

(i) Disclaimer of Duties. WITH RESPECT TO ANY VOTE, CONSENT OR APPROVAL AT ANY MEETING OF THE PARTNERS, OR OTHERWISE UNDER THIS LIMITED PARTNERSHIP AGREEMENT, EACH LIMITED PARTNER MAY GRANT OR WITHHOLD SUCH VOTE, CONSENT OR APPROVAL (A) IN ITS SOLE DISCRETION UNLESS SUCH VOTE, CONSENT OR APPROVAL IS EXPRESSLY REQUIRED TO NOT BE UNREASONABLY WITHHELD, AND (B) WITHOUT TAKING INTO ACCOUNT THE INTERESTS OF, AND WITHOUT INCURRING LIABILITY TO, THE PARTNERSHIP OR ANY PARTNER. THE PROVISIONS OF THIS SECTION 8.15(i) SHALL APPLY NOTWITHSTANDING THE NEGLIGENCE, GROSS NEGLIGENCE, WILLFUL MISCONDUCT, STRICT LIABILITY OR OTHER FAULT OR RESPONSIBILITY OF A LIMITED PARTNER. THE PROVISIONS OF THIS SECTION 8.15(i) APPLY SOLELY AND EXCLUSIVELY TO VOTES, CONSENTS AND APPROVALS UNDER THIS LIMITED PARTNERSHIP AGREEMENT AND SPECIFICALLY SHALL NOT APPLY TO THE EXERCISE OF ANY RIGHTS, OBLIGATIONS OR DISCRETION THAT A PARTY HERETO MAY OTHERWISE HAVE UNDER THIS AGREEMENT.

8.16 Conflicts of Interest. Each Partner and its Affiliates at any time and from time to time may engage in and possess interests in other business ventures of any and every

type and description, independently or with others, including ones in competition with the Partnership, any Partner or its Affiliates, with no obligation to offer to the Partnership or, any other Partner or any of their Affiliates the right to participate in such ventures. Neither the Partnership nor any of the other Partners will have any rights by virtue of this Limited Partnership Agreement in and to such independent business ventures or to the income or profits derived from such ventures, and as a material part of the consideration for the execution of this Limited Partnership Agreement by each Partner, each Partner waives, relinquishes, and renounces any such right or claim of participation.

ARTICLE IX

INDEMNIFICATION

9.1 Indemnification.

(a) Each Partner (a "**Partner Indemnitor**") shall indemnify and hold harmless the Partnership and each other Partner and its Affiliates and their respective directors, officers, partners, employees, agents, unitholders, shareholders, trustees and representatives (individually and collectively called the "**Partner Indemnitees**") from and against all Damages incurred by a Partner Indemnitee, in connection with, directly or indirectly, any Action arising, directly or indirectly, (i) by reason of any misrepresentation or breach of warranty with respect to such Partner Indemnitor's representations and warranties herein, or (ii) in connection with the acts or omissions of such Partner Indemnitor which are in relation to or in connection with its rights, responsibilities, obligations or status as a Partner and which result from its negligence, fraud, wilful misconduct, or breach of this Limited Partnership Agreement or applicable Law. Any Partner Indemnitor required to provide indemnification under this Section 9.1(a) to a Partner Indemnitee shall be entitled to contribution from the other Partners if such other Partners are also required to provide indemnification under this Section 9.1(a) with respect to the same matter. To the extent that the General Partner is obligated to provide indemnification under this Section 9.1(a), it shall have no entitlement to indemnification from the Partnership pursuant to Section 9.1(b) or Section 9.1(c).

(b) The Partnership (the "**Partnership Indemnitor**") shall, to the maximum extent permitted by law, indemnify and hold harmless the General Partner, its shareholders, directors, officers, agents, representatives and all other persons exercising delegated authority on behalf of the Partnership (individually or collectively called a "**Partnership Indemnitee**"), from and against all Damages and Actions arising, directly or indirectly, out of the management or conduct of the business of the Partnership or such Partnership Indemnitee's activities with respect thereto, provided that the Partnership Indemnitee has complied with the provisions in this Limited Partnership Agreement, did not act with fraud, gross negligence, bad faith or wilful misconduct, and, in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the Partnership Indemnitee had reasonable grounds to believe that its or his conduct was lawful.

(c) The General Partner and the Partnership (each a "**Limited Liability Indemnitor**") shall, to the maximum extent permitted by law, indemnify and hold harmless each Limited Partner and its Affiliates and their respective directors, officers, partners, employees,

agents, unitholders, shareholders, trustees and representatives (individually and collectively called the "**Limited Liability Indemnitees**"), from and against all Damages and Actions arising, directly or indirectly, out of the loss of limited liability of the Limited Liability Indemnitees other than as a result of the Limited Partner acting in a manner contrary to its obligations under this Limited Partnership Agreement.

(d) In the event that any Partnership Indemnitee desires to assert its right to indemnification from a Partnership Indemnitor, any Partner Indemnitee desires to assert its right to indemnification from a Partner Indemnitor, or any Limited Liability Indemnitee desires to assert its right to indemnification from a Limited Liability Indemnitor pursuant to this Section 9.1 (such Partner Indemnitees, Partnership Indemnitees and Limited Liability Indemnitees hereinafter individually and collectively referred to as "**Indemnitees**" as the context requires, and such Partner Indemnitors, Partnership Indemnitors and Limited Liability Indemnitors hereinafter individually and collectively referred to as "**Indemnitors**" as the context requires), the Indemnitee will give the Indemnitor prompt notice of any Action giving rise thereto. If the Indemnitor has agreed in writing that it is liable to the Indemnitees under this Limited Partnership Agreement for at least a substantial portion of the Action (as determined by the Indemnitees, acting reasonably), the Indemnitor shall be entitled to undertake the defense thereof other than as provided in Sections 9.1(g) or 9.1(h). The failure to promptly notify an Indemnitor hereunder shall not relieve the Indemnitor of its obligations hereunder, except to the extent that the Indemnitor is actually prejudiced by such failure.

(e) All Damages against or incurred by: (i) the Partnership and (ii) the Partnership Indemnitees or the Limited Liability Indemnitees in respect of which such Partnership Indemnitees are entitled to indemnification from the Partnership or the General Partner, must be satisfied from the assets of the Partnership.

(f) To the extent that proceeds from insurance or other amounts from third parties are available in respect of any Damages or Actions for which the Partnership has indemnification obligations hereunder, the General Partner shall seek to have such Damages or Actions paid out of the proceeds of such insurance or other amounts rather than having the Partnership make any payments pursuant to its indemnification obligations contained herein, provided that if such proceeds or other amounts are not readily available, the General Partner may cause the Partnership to pay such Damages or Actions in which event the Partnership shall be entitled to reimbursement therefor out of the proceeds of insurance or other amounts when and if obtained. The General Partner may (but shall not be obligated to) obtain, at the expense of the Partnership, insurance against any Damages or Actions whether or not the Partnership would, pursuant to this Section 9.1, be required to indemnify any Indemnitee in respect thereof.

(g) An Indemnitee shall not settle or compromise any Action or pay or agree to pay any Damages without the written consent of the Indemnitor unless the Indemnitee agrees in writing to forego any and all claims for indemnification from the Indemnitor with respect to such Action or Damages. However, if the Indemnitor, within a reasonable time after notice of any such Action, fails to defend such Action, the Indemnitee will have the right to undertake the defense, compromise or settlement of such Action on behalf of and for the account and risk of the Indemnitor, subject to the right of the Indemnitor to assume the defense of such Action at any time prior to settlement, compromise or final determination thereof.

(h) If an Indemnitor has undertaken the defense of an Action and:

(i) there is a reasonable expectation that an Action may materially and adversely affect the Indemnitee other than as a result of money damages or other money payments or the Indemnitee or Indemnitees may have legal defences available to it or them that are different from or additional to the defences available to the Indemnitor; or

(ii) the Indemnitor shall not have employed legal counsel that is satisfactory to the Indemnitee, acting reasonably,

the Indemnitee shall have the right, at its own cost and expense, to defend such Action.

(i) The provisions of this Section 9.1 shall survive termination of this Limited Partnership Agreement, the Withdrawal of any Partner or any purchase or Disposition made pursuant hereto with respect to any liability that accrues prior to such Withdrawal, purchase or Disposition.

9.2 Right of Limited Partners to Contribution. Except to the extent of a Limited Partner's fraud, negligence, wilful misconduct or breach of this Limited Partnership Agreement or applicable Law, if any Limited Partner shall be held liable to a Person that is not a Partner or Affiliate of any Partner for any Damages or Action related to the business of the Partnership, such Limited Partner shall, in addition to its rights under Section 9.1(c) but only to the extent the assets of the Partnership are not sufficient to satisfy such liability, be entitled to contribution from each other Limited Partner of each such other Limited Partner's pro rata share of such Damages or Action (determined on the basis of the ratio which the Partnership Distribution Allocation of such Limited Partner as of the date on which the Damages or Action arose, bears to the aggregate Partnership Distribution Allocations of all Limited Partners on such date). The provisions of this Section 9.2 shall survive termination of this Limited Partnership Agreement, the Withdrawal of any Partner or any purchase or Disposition made pursuant hereto with respect to any liability that accrues prior to such Withdrawal, purchase or Disposition.

9.3 Advance Payment. The right to indemnification conferred in this Article IX includes the right to be paid or reimbursed by the Indemnitor for the reasonable expenses incurred by the Indemnitee who was, is or is threatened to be made a named defendant or respondent in an Action in advance of the final disposition of the Action and without any determination as to the Person's ultimate entitlement to indemnification; *provided, however*, that the payment of such expenses incurred by any such Person in advance of the final disposition of an Action may be made only upon delivery to the Partnership of a written affirmation by such Person of the Person's good-faith belief that the standard of conduct necessary for indemnification under this Article IX is met and a written undertaking, by or on behalf of such Person, to repay all amounts so advanced if it is ultimately determined that such indemnified Person is not entitled to be indemnified under this Article IX or otherwise.

9.4 Appearance of Witness. Notwithstanding any other provision of this Article IX, the General Partner, for and on behalf of the Partnership, shall pay or reimburse expenses incurred by a Person in connection with an appearance on behalf of the Partnership

as a witness or other participation in an Action even though that Person is not a named defendant or respondent in the Action.

9.5 **Nonexclusivity of Rights**. The right to indemnification and the advancement and payment of expenses conferred in this Article IX is not exclusive of any other right which an Indemnitee indemnified pursuant to this Article IX may have or later acquire under any Law, provision of the Declaration or this Limited Partnership Agreement, agreement, vote of Partners, or otherwise.

9.6 **Insurance**. The General Partner, for and on behalf of the Partnership, may purchase and maintain insurance, at its expense, to protect itself and any Person who is or was serving as an officer, employee or agent of the General Partner or the Partnership or is or was serving at the request of the General Partner as a manager, director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic limited liability company, corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise against any expense, liability or loss, whether or not the Partnership would have the power to indemnify such Person against such expense, liability or loss under this Article IX.

9.7 **Partner Notification**. To the extent required by Law, any indemnification of or advance of expenses to a Person in accordance with this Article IX must be reported in writing to the Partners with or before the notice or waiver of notice of the next Partners' meeting or with or before the next submission to Partners of a consent to action without a meeting and, in any case, within the twelve (12) month period immediately following the date of the indemnification or advance.

9.8 **Savings Clause**. If all or any portion of this Article IX is invalidated on any ground by any court of competent jurisdiction, then each Indemnitor will nevertheless indemnify and hold harmless each Indemnitee indemnified pursuant to this Article IX as to costs, charges and expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement with respect to any Action to the full extent permitted by any applicable portion of this Article IX that is not invalidated and to the fullest extent permitted by applicable Law.

ARTICLE X

TAXES

10.1 **Tax Returns**. The Partnership will cause to be prepared and filed all necessary federal and provincial tax returns for the Partnership, including making the elections described in Section 10.2. Each Partner must furnish to the Partnership all pertinent information in its possession relating to Partnership operations that is necessary to enable the Partnership's tax returns to be timely prepared and filed. The Partnership shall deliver a copy of each such return to the Partners each year on or before the earlier of (i) July 15 or (ii) thirty (30) days prior to the due date of any such return including extensions, together with such additional information as may be required by the Partners in order for the Partners to

file their individual returns reflecting the Partnership's operations. The Partnership shall bear the costs of the preparation and filing of its returns.

10.2 Tax Elections. Unless otherwise approved by the General Partner, the Partnership will make the following elections on the appropriate tax returns:

(a) to adopt the calendar year as the Partnership's fiscal year;

(b) to elect to use the most rapid depreciation, amortization or cost recovery method allowable; and

(c) any other election the General Partner may deem appropriate and in the best interests of the Partners.

10.3 Power of Attorney. Each Partner hereby irrevocably nominates, constitutes and appoints the General Partner with full power of substitution, as its true and lawful attorney and agent, with full power and authority in its name, place and stead and for its use and benefit to do the following:

(a) execute, swear to, acknowledge, deliver and file as and where required any and all of the following:

(i) all tax forms for and on behalf of the Partnership and any elections made pursuant to the Tax Act and, if applicable, any analogous provincial or foreign tax legislation; and

(ii) all conveyances, agreements and other instruments or documents deemed necessary or desirable by the General Partner to reflect the dissolution and termination of the Partnership including cancellation of any certificates or declarations and the execution of any elections under subsection 98(3) of the Tax Act, and, if applicable, any analogous provincial or foreign legislation;

(b) execute and file with any governmental body or instrumentality thereof of the Government of Canada or a province, any documents necessary to be filed in connection with the business, property, assets and undertaking of the Partnership;

(c) to make all elections, notifications, determinations or designations under the Tax Act or any other taxation or other legislation or similar laws of like import of Canada or of any provinces or jurisdictions (including foreign jurisdictions) in respect of the affairs of the Partnership or of a Partner's interest in the Partnership including, without limitation, elections under subsection 85(2) and 97(2) of the Tax Act, and any notifications required pursuant to section 116 of the Tax Act in respect of any dispositions of "taxable Canadian property" (as defined in the Tax Act) by the Partnership, as applicable; and

(d) to complete, amend or modify any of the foregoing to complete any missing information or correct any clerical or other errors in the completion of any of the foregoing.

ARTICLE XI

BOOKS, RECORDS, REPORTS, AND BANK ACCOUNTS

11.1 Maintenance of Books.

(a) The General Partner will keep books and records of accounts and will keep minutes of the proceedings of the General Partner and the Partnership separate from the Limited Partners. The books of account for the General Partner and the Partnership will be maintained on the accrual basis in accordance with Required Accounting Practices, consistently applied, and the terms and conditions of this Limited Partnership Agreement. The calendar year will be the fiscal year of the Partnership unless otherwise decided by the General Partner.

(b) The General Partner shall implement a policy for accounting and financial controls, annual budgeting, and financial reporting. Such policy for financial controls may include the following components:

(i) Delegations of Authority - such authorities should be in writing and periodically confirmed by the General Partner;

(ii) Business Planning and Financial Stewardship - the General Partner shall establish a process for the approval of Budgets as well as develop procedures to administer and evaluate performance; and

(iii) Internal Controls - establish a set of internal controls to ensure compliance with generally accepted auditing standards and policies and procedures for joint ventures.

(c) The Partners and their agents may, at their own cost and expense, examine, audit and obtain copies of the books, records and accounts of the Partnership, including federal, provincial, and local income tax returns for each year as and when they become available, inspect its properties, or otherwise make reasonable inquiry as to Partnership affairs. Any such inspections must be conducted during the normal business hours of the Partnership. The rights granted to a Partner pursuant to this Section 11.1 are expressly subject to compliance by such Partner with the safety, security, and confidentiality procedures and guidelines of the Partnership, as such procedures and guidelines may be established from time to time.

11.2 Reports. If requested by a Partner for any calendar month or fiscal year, the Partnership will furnish such Partner with a balance sheet, an income statement, a statement of changes in Partners' Capital Accounts and a statement of cash flows for, or as of the end of, that month or year, as applicable, all of which must be prepared in accordance with Required Accounting Practices, consistently applied (except as therein noted). Such information will be furnished within a reasonable amount of time after the end of the applicable month or year. The Partnership will also furnish such other reports as reasonably requested by the Partners.

11.3 Accounts. The General Partner shall establish and maintain one or more separate bank and investment accounts and arrangements for Partnership funds in the

Partnership name with financial institutions and firms that the General Partner may from time to time determine. The General Partner shall not commingle the Partnership's funds with the funds of any Limited Partner; however, Partnership funds may be invested in a manner the same as or similar to any Partner's investment of its funds or investments by its Affiliates.

11.4 United States Federal Income Tax Matters. The Initial Partners are owned indirectly by corporations that are incorporated in the United States and that are subject to United States federal income taxation. Accordingly, Annex A to this Agreement sets forth certain United States tax matters. In the event of any conflict between the provisions of this Agreement and the United States tax matters set forth on Annex A, solely for United States federal income tax purposes the United States tax matters set forth on Annex A shall control.

ARTICLE XII

DISSOLUTION, LIQUIDATION, TERMINATION AND RECONSTITUTION

12.1 Dissolution.

(a) The Partnership will dissolve and must commence winding up and liquidating upon the first to occur of the following (each a "***Dissolution Event***"):

(i) Unanimous Approval to dissolve the Partnership in accordance with Section 8.14(e);

(ii) the sale of all or substantially all of the Property;

(iii) the occurrence of a "Dissolution Event" as that term is defined in either the Shareholders Agreement or the Company Agreement;

(iv) a judicial determination that an event has occurred that makes it unlawful, impossible or impracticable to carry on the business of the Partnership; or

(v) any other event of dissolution of the Partnership under applicable Law.

(b) Additionally, without limiting anything in Section 12.1(a) above:

(i) If the Project Development Agreement (with such revisions as are approved by the Managers pursuant to the Shareholders Agreement) is not fully executed on or before December 1, 2011, then, any time from the date immediately following that date until the Project Development Agreement is fully executed, a Partner may send written notice to the Partnership and the other Partners that such Partner wishes for the Partnership to dissolve.

(ii) At any time before the Commitment Voting Date, a Limited Partner may send written notice to the Partnership and the other Limited Partners that such Limited Partner wishes for the Partnership to dissolve. For purposes of clarification and without limiting the foregoing, a Limited Partner may send written notice to the Partnership and the other Limited Partners that such Limited Partner wishes for the Partnership to

dissolve at any time before a Limited Partner's Canadian Affiliate has received the necessary internal and other organizational approvals to authorize its respective appointed Manager to vote to proceed with the development of the Pipeline System.

The sending of a notice under this Section 12.1(b) will be considered a "***Dissolution Event***" under this Limited Partnership Agreement.

(c) The Partnership shall not come to an end by reason of the death, bankruptcy, assignment of property for the benefit of creditors, insolvency, mental incompetency or other disability of any Partner or upon the transfer of any Partnership Interests or upon the happening of any Adverse Act.

(d) The addition or withdrawal of a Partner hereunder shall not cause a dissolution of the Partnership unless there is only one (1) Partner remaining in the Partnership, whereupon the Partnership shall automatically dissolve by operation of Law in accordance with Section 12.1(a)(iv).

12.2 Winding Up, Liquidation and Termination. On the occurrence of a Dissolution Event the General Partner shall appoint one or more Managers or other Persons to act as liquidator. The Board of Managers will also take appropriate actions under any agreements by which the Partnership is bound including, as appropriate, causing the Partnership to notify the customers under the Precedent Agreements, and Union Gas Limited and St. Clair Pipelines L.P. under the agreements for the purchase of Union Gas Limited's St. Clair pipeline and St. Clair Pipelines L.P.'s St. Clair River crossing pipeline, respectively, that certain conditions precedent under those agreements will not be satisfied. The Person acting as liquidator for the Partnership must also be acting as the liquidator for Dawn Gateway Pipeline General Partner Inc. and Dawn Gateway Pipeline, LLC. The liquidator must proceed diligently to wind up the affairs of the Partnership and make final distributions as provided in this Limited Partnership Agreement and in the Act. The costs of liquidation will be borne as a Partnership expense. Until final distribution, the liquidator will continue to operate the Partnership's Property with all of the power and authority of the General Partner. The steps to be accomplished by the liquidator are as follows:

(a) As promptly as possible after dissolution and again after final liquidation, the liquidator must cause a proper accounting to be made by a recognized firm of chartered accountants of the Partnership's assets, liabilities and operations through the last day of the calendar month in which the dissolution occurs or the final liquidation is completed, where applicable.

(b) The liquidator must cause notice of dissolution to be mailed to each known creditor and claimant against the Partnership.

(c) The liquidator shall, to the extent of Partnership funds available for such purpose, pay, satisfy or discharge all of the debts, liabilities and obligations of the Partnership (including all expenses incurred in liquidation) or otherwise make adequate provision for payment or discharge (including the establishment of a cash escrow fund for contingent liabilities in such amount and for such term as the liquidator may reasonably determine).

(d) After the time period set forth in Section 12.2(f) and subject to Section 12.2(g) (if those sections are applicable),all remaining assets of the Partnership will be distributed to the Partners as follows:

(i) the liquidator may sell any or all Property, including to Partners, and any resulting gain or loss from each sale will be computed and allocated to the Capital Accounts of the Partners in accordance with the provisions of Article VI;

(ii) with respect to all Property that has not been sold, the fair market value of that Property will be determined and the Capital Accounts of the Partners will be adjusted to reflect the manner in which the unrealized income, gain, loss and deduction inherent in Property that has not been reflected in the Capital Accounts previously would be allocated among the Partners if there were a taxable disposition of that Property for the fair market value of that Property on the date of distribution; and

(iii) Property, including cash, will be distributed to the Partners, in proportion to their positive Capital Accounts as of the date of such distribution, after giving effect to all contributions, distributions and allocations for all periods.

(e) All distributions in kind to the Partners must be made subject to the liability of each distributee for costs, expenses and liabilities previously incurred or for which the Partnership has committed prior to the date of termination and those costs, expenses and liabilities will be allocated to the distributee pursuant to this Section 12.2. The distribution of cash or Property to a Partner in accordance with the provisions of this Section 12.2 constitutes a complete return to the Partner of its Capital Contributions and a complete distribution to the Partner of its Partnership Interest and all of the Property. To the extent that a Partner returns funds to the Partnership, it has no claim against any other Partner for those funds.

(f) **Post-Dissolution Negotiations**. For a period of thirty (30) days after a Dissolution Event under Sections 12.1(a)(i), (iii) (unless the dissolution of Dawn Gateway Pipeline General Inc. or Dawn Gateway Pipeline, LLC was the result of a sale of all of such Person's Property, as "Property" is defined in the Shareholders Agreement or Company Agreement, as applicable), (iv) or (v), (each a "***Triggering Dissolution Event***"), the Limited Partners and their U.S. Affiliates will negotiate in good faith regarding the purchase the Pipeline System along with the "Pipeline System" as defined in the Company Agreement (collectively, the "***Dawn Gateway System***"), by a Limited Partner or its U.S. Affiliates. If there is no agreement regarding the purchase of the Dawn Gateway System by a Limited Partner, and/or its U.S. Affiliates by the end of that thirty (30) day period or such later date as may be agreed upon by the Partners, then the liquidator may attempt to sell the Dawn Gateway System in accordance with Section 12.2(g) below, or as otherwise provided in the Article XII.

(g) **Post-Dissolution Right of First Refusal**.

(i) If the obligations under Section 12.2(f) have been satisfied, and the liquidator desires to sell the Dawn Gateway System to a Person (who is not a Limited Partner) after a Triggering Dissolution Event, then the liquidator must first obtain a Bona Fide Offer from the prospective purchaser and notify each Limited Partner in writing as

to the terms of such Bona Fide Offer. Each Limited Partner and/or its U.S. Affiliate will have the right during the five (5) days following receipt of such notice to elect to purchase the Dawn Gateway System on the terms set forth in the Bona Fide Offer by notifying the liquidator and the other Limited Partners in writing within such time period of its election to exercise such right. Each Limited Partner and/or its U.S. Affiliate that exercises that right is collectively referred to as a "Post-Dissolution ROFR Purchaser". Any Post-Dissolution ROFR Purchaser may condition its Bona Fide Offer on receiving the necessary internal or other organizational approvals to consummate the purchase as described in Section 12.2(g)(iii) below. A Limited Partner cannot submit a Bona Fide Offer if that Limited Partner's U.S. Affiliate (on its own or in conjunction with that Limited Partner) has already submitted a Bona Fide Offer.

(ii) If there are more than one Post-Dissolution ROFR Purchasers, then the Post-Dissolution ROFR Purchasers will negotiate with the liquidator for a period of ten (10) days following the latest submitted Bona Fide Offer by a Post-Dissolution ROFR Purchaser. At the conclusion of that ten (10) day period, the liquidator will sell the Dawn Gateway System to the Post-Dissolution ROFR Purchaser that negotiated the highest purchase price during that time (which offer must not be less than the purchase price set forth in the prospective purchaser's Bona Fide Offer). The liquidator's determination will be made in its Sole Discretion and will be final and binding on each Partner and the Company.

(iii) Any Post-Dissolution ROFR Purchaser whose Bona Fide Offer or negotiated offer was expressly conditioned on receiving the necessary internal or other organizational organization approvals to consummate the purchase must receive any such approvals within sixty (60) days following the liquidator's acceptance of the offer and must notify the liquidator and all other Limited Partners in writing promptly after receiving such approvals. If the Post-Dissolution ROFR Purchaser does not notify the liquidator and the other Limited Partners in writing that it has received such necessary approvals, then the Post-Dissolution ROFR Purchaser will not have the right to purchase the Dawn Gateway System and the liquidator will sell the Dawn Gateway System either to the Post-Dissolution ROFR Purchaser that negotiated the next-highest purchase price or, if none, the third party purchaser.

(h) **Terms of Bona Fide Offer**. Except for a Limited Partner's initial Bona Fide Offer in response to a third party purchaser's Bona Fide Offer, each Bona Fide Offer that a Limited Partner submits under Sections 12.2(f) and 12.2(g) must provide that the purchase price for the Dawn Gateway System will be entirely paid in cash.

12.3 Deficit Capital Accounts. Notwithstanding anything to the contrary contained in this Limited Partnership Agreement, and notwithstanding any Law to the contrary, to the extent that the deficit, if any, in the Capital Account of any Partner results from or is attributable to deductions and losses of the Partnership (including non-cash items such as depreciation) or distributions of money pursuant to this Limited Partnership Agreement to all Partners in proportion to their respective Partnership Distribution Allocations, upon dissolution of the Partnership such deficit will not be an asset of the

Partnership and such Partners are not obligated to contribute such amount to the Partnership to bring the balance of such Partner's Capital Account to zero.

12.4 Cancellation. Upon completion of the distribution of Partnership assets as provided herein, the Partnership is dissolved, and the General Partner (or such other Person or Persons as the Act may require or permit) shall file or cancel any filings as may be necessary to dissolve the Partnership and take such other actions as may be necessary to terminate the existence of the Partnership.

12.5 Reconstitution. If it is determined, by a court of competent jurisdiction, that the Partnership has dissolved absent the occurrence of a Dissolution Event, then, within the Reconstitution Period, all of the Non-Adverse Partners may, if permitted by applicable Law, elect to reconstitute the Partnership and continue its business on the same terms and conditions set forth in this Limited Partnership Agreement by forming a new limited partnership on terms identical to those set forth in this Limited Partnership Agreement. Unless such an election is made within the Reconstitution Period, the Partnership will liquidate and wind up its affairs in accordance with Section 12.2. If such an election is made within the Reconstitution Period, then:

(a) the reconstituted limited partnership will continue until the occurrence of a Dissolution Event as provided in Section 12.1; and

(b) unless otherwise agreed to by all of the Partners, the Declaration and this Limited Partnership Agreement will automatically constitute the Declaration and the Limited Partnership Agreement of such new Partnership. All of the assets and liabilities of the dissolved Partnership will be deemed to have been automatically assigned, assumed, conveyed and transferred to the new Partnership. No bond, collateral, assumption or release of any Partner's or the Partnership's liabilities will be required; provided, that the right of the Partners to reconstitute and continue the business will not exist and may not be exercised unless the Partners have received an opinion of counsel that the exercise of the right would not result in the loss of limited liability of any Limited Partner and neither the Partnership nor the reconstituted limited partnership would cease to be treated as a limited partnership for federal income tax purposes upon the exercise of such right to continue.

ARTICLE XIII

DISPUTE RESOLUTION

13.1 Material Breaches. In the event that a Partner has committed a breach of any material covenant contained in this Limited Partnership Agreement or defaulted on any material obligation provided for in this Limited Partnership Agreement (excluding a Capital Contribution Failure) written notice of such breach shall be provided to such Partner by the Partnership or any other Partner. Such defaulting Partner shall have the right to cure such breach or default within thirty (30) days of such notice; *provided, however*, if such breach or default is of such a nature that it cannot reasonably be cured within such thirty (30) day period, but is curable and such Partner in good faith begins efforts to cure it within such thirty (30) day period and continues diligently to do so, such Partner will have a reasonable

additional period thereafter to effect the cure (which period may not exceed an additional ninety (90) days unless otherwise approved by Unanimous Approval).

13.2 Disputes. This Article XIII shall apply to (a) any dispute, claim, or controversy arising out of or relating to this Limited Partnership Agreement (whether arising in contract, tort or otherwise, and whether arising at law or in equity), or the performance, breach, validity, interpretation, application, or termination thereof; (b) any dispute regarding the construction, interpretation, performance, validity or enforceability of any provision of this Limited Partnership Agreement or whether a Partner is in compliance with, or breach of, any provisions of this Limited Partnership Agreement, and (c) the applicability of this Article XIII to a particular dispute (collectively, a "***Dispute***"). Except as otherwise expressly provided in Section 13.4 of this Agreement, arbitration shall be the exclusive remedy for Dispute resolution. Notwithstanding the foregoing, this Article XIII shall not apply to any matters that, pursuant to the provisions of this Partnership Agreement, are to be resolved by a vote, approval, consent, determination or other decision of the Partners; provided, however, that a vote, approval, consent, determination or other decision must, under the terms of the Partnership Agreement, be made (or withhold) in accordance with a standard other than Sole Discretion (such as a reasonableness standard), then the issue of whether such standard has been satisfied may be a Dispute to which this Article XIII applies.

13.3 Negotiations to Resolve Disputes. The Partners will endeavor to resolve any Disputes in a prompt and equitable manner. In the event a Dispute arises which the Partners are unable to resolve, the Partners will, prior to the initiation of any claim or cause of action, each appoint an officer or representative that has settlement authority to meet (in person or by telephone conference) in an effort to resolve the Dispute equitably, in good faith and as quickly as is reasonably possible. No settlement will be binding until reduced to writing and signed by the Partners. The responsibility of these representatives will be to resolve the matter or propose a method of resolving the matter, if possible. If the Dispute is not settled or resolved by the earlier of the date that is fifteen (15) Business Days following the first meeting of the representatives, or the date on which the representatives unanimously agree that a resolution of the Dispute is not possible, then the Partners may proceed as set forth in Section 13.5.

13.4 Right to Seek Equitable Relief. Nothing in this Article XIII or any other provision of this Partnership Agreement will prevent a Partner from seeking equitable relief (including injunctive relief or specific performance) in any court of Canada (or any province thereof) if that Partner reasonably determines that its rights will be prejudiced by the amount of time required to follow the other dispute procedures described in this Partnership Agreement.

13.5 Arbitration.

(a) Any Dispute not resolved pursuant to Section 13.3 shall be finally resolved by binding arbitration initiated upon the written notice (an "***Arbitration Notice***") of any Partner. The arbitration shall be administered by the ADR Institute of Canada (the "***ADR Institute***") and shall be conducted in accordance with this Limited Partnership Agreement and the then current National Arbitration Rules of the ADR Institute (the "***ADR Rules***").

(b) The seat of the arbitration shall be Toronto, Ontario. The arbitrators shall determine the matters at issue in the Dispute in accordance with the substantive Law of the Province of Ontario, excluding the conflicts provisions of such Law.

(c) The Dispute shall be heard and determined by three (3) arbitrators.

(d) Each party shall, within thirty (30) days of the Arbitration Notice, select one person to act as an arbitrator. The two arbitrators so selected shall, within fifteen (15) days of their appointment, select a third arbitrator who shall serve as the chair of the Arbitral Panel. The two party selected arbitrators will serve in a non-neutral capacity. The arbitrators selected shall be qualified by education, training, and experience to hear and determine matters in the nature of the Dispute.

(e) If a Partner fails to appoint an arbitrator as provided herein, or if the arbitrators selected by the Partners are unable or fail to agree upon a third arbitrator within fifteen (15) days of their appointment, then that arbitrator shall be selected and appointed in accordance with the ADR Rules.

(f) Should an arbitrator die, resign, refuse to act, or become incapable of performing his or her functions as an arbitrator, the ADR Institute may declare a vacancy on the panel. The vacancy shall be filled by the method by which that arbitrator was originally appointed.

(g) The arbitrators shall be bound by and shall follow the then current ADR Institute Code of Ethics.

(h) As soon as practicable, and in any event within thirty (30) days after the panel has been duly constituted, the claimant shall deliver to the respondent (with copies to each arbitrator) its statement of case, containing particulars of its claims and written submissions in support thereof, together with any documents relied upon by the claimant. Within thirty (30) days of its receipt of the claimant's statement of case, the respondent shall deliver to the claimant (with copies to each arbitrator) a statement of case in answer, together with any counterclaim and any documents relied upon by the respondent. Within thirty (30) days of the receipt by the claimant of any statement of counterclaim by the respondent, the claimant shall deliver to the respondent (with copies to each arbitrator) a reply to the counterclaim together with any additional documents relied upon by the claimant, if any, at which time the pleadings shall be deemed to be closed unless the panel otherwise directs.

(i) The panel may in its discretion hold a hearing and make an award in relation to any preliminary issue at the request of either Partner and shall do so at the joint request of both Partners. The panel shall hold a hearing, or hearings, relating to substantive issues unless the Partners otherwise agree in writing. Where no formal hearing is held, the panel shall only consider the pleadings and the documentary evidence as submitted by the Partners.

(j) The arbitrators shall apply this Limited Partnership Agreement as written and according to its plain language in all respects, and shall in no circumstances have authority to add, delete, modify, or deviate from any of the terms and conditions of this Limited Partnership Agreement as written, nor shall it/they have any authority to cancel or void this Limited

Partnership Agreement, in whole or in part, or to extend the term of this Limited Partnership Agreement, other than as may be expressly provided herein. The arbitrators shall have the power to grant injunctive relief and enforce specific performance.

(k) All awards shall be in writing and shall state the reasoning upon which the award rests including a statement of facts and conclusions of law. Any award shall be made and signed by at least a majority of the arbitrators. The decision of the arbitrators shall be final, non-appealable and binding upon the Partners and may be enforced in any court of competent jurisdiction. The responsibility for paying the costs and expenses of the arbitration, including compensation to the arbitrators and any experts retained by the arbitrators, shall be allocated among the disputing Partners in a manner determined by the arbitrators to be fair and reasonable under the circumstances. Each disputing Partner shall be responsible for the fees and expenses of its respective counsel, consultants and witnesses, unless the arbitrators determine that compelling reasons exist for allocating all or a portion of such costs and expenses to one or more other disputing Partners.

(l) Unless the Partners agree otherwise, the Partners, the arbitrators, and the ADR Institute shall treat the dispute resolution proceedings provided for herein, any related disclosures, and the decisions of the arbitrators, as confidential, except in connection with judicial proceedings ancillary to the dispute resolution proceedings and as otherwise required by Law to protect the legal rights of a party.

(m) Notwithstanding anything to the contrary in this Article XIII, if, in connection with any Dispute, there exists a related or similar dispute under or relating to the Company Agreement and/or the Shareholders Agreement, then the Disputing parties and the parties to such dispute under the Company Agreement and/or the Shareholders Agreement shall coordinate their efforts to resolve such disputes and, to the greatest extent possible, any arbitration relating to such disputes shall be conducted by the same arbitrators in the same hearings.

13.6 Survival. The terms and conditions of this Article XIII shall survive the termination or expiration of this Limited Partnership Agreement.

ARTICLE XIV

GENERAL PROVISIONS

14.1 Entire Agreement. This Limited Partnership Agreement constitutes the entire agreement of the Partners and their Affiliates relating to the Partnership and the transactions contemplated hereby and supersedes all prior contracts or agreements with respect to the Partnership and the transactions contemplated hereby, whether oral or written.

14.2 Payments and Offset. Whenever the Partnership is to pay any sum to any Partner, any amounts that Partner owes the Partnership may be deducted from that sum before payment. If any payment due under this Limited Partnership Agreement (excluding a Capital Contribution) is not made when due, it will accrue interest at the Base Interest Rate.

14.3 Notices. Except as expressly set forth to the contrary in this Limited Partnership Agreement, all notices, requests, or consents provided for or permitted to be given under this Limited Partnership Agreement shall be in writing and shall be delivered by hand or sent by facsimile or sent, postage prepaid, by registered, certified or express mail, or by reputable overnight courier service and shall be deemed given when so delivered by hand, telecopied (with written confirmation of sending), or if mailed, three (3) days after mailing (one (1) Business Day in the case of express mail or overnight courier service). All notices, requests and consents to be sent to a Partner must be sent to or made at the addresses given for that Partner listed on Exhibit 14.3, or such other address as that Partner may specify by notice to the other Partners. Whenever any notice is required to be given by Law, the Declaration or this Limited Partnership Agreement, a written waiver thereof, signed by the Person entitled to notice, whether before or after the time stated therein, is deemed equivalent to the giving of such notice.

14.4 Effect of Waiver or Consent. A waiver or consent, express or implied, to or of any breach or default by any Person in the performance by that Person of its obligations with respect to the Partnership is not a consent or waiver to or of any other breach or default in the performance by that Person of the same or any other obligations of that Person with respect to the Partnership. Failure of any Person to complain of any act of any other Person or to declare such other Person in default with respect to the Partnership, irrespective of how long that failure continues, does not constitute a waiver by the Partnership of its rights with respect to that default until the applicable statute-of-limitations period has run.

14.5 Amendment or Modification. This Limited Partnership Agreement (including this Section 14.5) may be amended or modified from time to time only upon the unanimous written approval of the Non-Adverse Partners; *provided, however*, that (a) an amendment or modification reducing a Partner's Partnership Interest (including Partnership Voting Interest and Partnership Distribution Allocation) (other than to reflect changes otherwise provided by this Limited Partnership Agreement) is effective only with that Partner's written consent, (b) an amendment or modification reducing the required Partnership Voting Interest or other measure for any consent or vote in this Limited Partnership Agreement is effective only with the consent or vote of the Partners, if applicable, having the Partnership Voting Interest or other voting measure required, and (c) amendments of the type described in Section 3.4 may be adopted as provided in that section.

14.6 Binding Effect. Subject to the restrictions on Dispositions and Encumbrances set forth in this Limited Partnership Agreement, this Limited Partnership Agreement is binding on and inures to the benefit of the Partners and their respective heirs, legal representatives, successors and assigns. The executors, administrators or personal representatives of a Partner must execute and deliver any and all instruments and documents and do any and all acts and things necessary and appropriate to carry out the terms and provisions of this Limited Partnership Agreement.

14.7 Governing Law. THIS COMPANY AGREEMENT IS GOVERNED BY AND IS TO BE CONSTRUED IN ACCORDANCE WITH THE LAW OF THE PROVINCE OF ONTARIO, EXCLUDING ITS CONFLICTS-OF-LAW RULES OR PRINCIPLES THAT MIGHT REFER THE GOVERNANCE OR THE CONSTRUCTION

OF THIS AGREEMENT TO THE LAW OF ANOTHER JURISDICTION. In the event of a direct conflict between the provisions of this Limited Partnership Agreement and any provision of the Declaration or any mandatory, non-waivable provision of the Act, the applicable provision of the Declaration or the Act will control. If any provision of the Act provides that it may be varied or superseded by agreement of the Partners, such provision shall be deemed superseded and waived in its entirety if this Limited Partnership Agreement contains a provision addressing the same issue or subject matter.

14.8 Severability. If any provision or application of this Limited Partnership Agreement to any Person or circumstance is held invalid or unenforceable to any extent, the remainder of this Limited Partnership Agreement and the application of the provision to other Persons or circumstances will not be affected and that provision will be enforced to the greatest extent permitted by Law. The preceding sentence of this Section 14.8 should not be enforced if the consequence of enforcing the remainder of this Limited Partnership Agreement without such illegal or invalid term or provision would be to cause any Partner to lose the material benefit of its economic bargain.

14.9 Further Assurances. In connection with this Limited Partnership Agreement and transactions contemplated in this Limited Partnership Agreement, each Partner must execute and deliver any additional documents and instruments and perform any additional acts that may be necessary or appropriate to effectuate and perform the provisions of this Limited Partnership Agreement and those transactions.

14.10 Waiver of Certain Rights. Each Partner irrevocably waives any right it may have to maintain any action for dissolution of the Partnership or for partition of the Property of the Partnership.

14.11 Notice to Partners of Provisions of this Limited Partnership Agreement. By executing this Limited Partnership Agreement, each Partner acknowledges that it has actual notice of all of the provisions of this Limited Partnership Agreement, including the restrictions on the Disposition and Encumbrance of Partnership Interests set forth in Article III, and all of the provisions of the Declaration. Each Partner hereby agrees that this Limited Partnership Agreement constitutes adequate notice of all such provisions and each Partner waives any requirement of any further notice.

14.12 Headings. The article, section and paragraph headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provisions of this Limited Partnership Agreement.

14.13 Specific Performance. Without limiting any other provisions in this Limited Partnership Agreement, each Partner agrees with the other Partners that the other Partners would be irreparably damaged if any of the provisions of this Limited Partnership Agreement, including Sections 3.6, 3.7 and 3.10, are not performed in accordance with their specific terms and that monetary damages would not provide an adequate remedy in such event.

14.14 Counterparts. This Limited Partnership Agreement may be executed in multiple counterparts (including by means of facsimile signature pages), each of which shall be deemed an original and all of which shall constitute one and the same instrument.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Initial Partners have executed this Limited Partnership Agreement as of the date first set forth above.

LIMITED PARTNER:

DTE VECTOR CANADA, INC.

Per: _____

Name: Peter Cianci
Title: President

SIGNATURE PAGE TO LIMITED PARTNERSHIP AGREEMENT

IN WITNESS WHEREOF, the Initial Partners have executed this Limited Partnership Agreement as of the date first set forth above.

LIMITED PARTNER:

SPECTRA ENERGY MIDSTREAM HOLDINGS PARTNERSHIP

Per: 

Name: Stephen W. Baker
Title: Authorized Signatory

IN WITNESS WHEREOF, the Initial Partners have executed this Limited Partnership Agreement as of the date first set forth above.

GENERAL PARTNER:

DAWN GATEWAY PIPELINE GENERAL PARTNER INC.

Per: _____

Name: Peter Cianci
Title: Co-President

_____

Name: Stephen W. Baker
Title: Co-President

IN WITNESS WHEREOF, the Initial Partners have executed this Limited Partnership Agreement as of the date first set forth above.

GENERAL PARTNER:

DAWN GATEWAY PIPELINE GENERAL PARTNER INC.

Per:

Name: Peter Cianci
Title: Co-President

Name: Stephen W. Baker
Title: Co-President

SIGNATURE PAGE TO LIMITED PARTNERSHIP AGREEMENT
EXHIBIT 1.01A

PARENTS OF LIMITED PARTNERS

MEMBER	PARENT OF LIMITED PARTNER
DTE Vector Canada, Inc.	DTE Pipeline Company
Spectra Energy Midstream Holdings Partnership	Spectra Energy Corp.

EXHIBIT 2.1

INITIAL PARTNERS
DTE Vector Canada, Inc.
Spectra Energy Midstream Holdings Partnership
Dawn Gateway Pipeline General Partner Inc.

EXHIBIT 3.1

DISTRIBUTION ALLOCATION AND VOTING INTEREST

PARTNER	DISTRIBUTION ALLOCATION	VOTING INTEREST
DTE Vector Canada, Inc.	49.995%	50.00%
Spectra Energy Midstream Holdings Partnership	49.995%	50.00%
Dawn Gateway Pipeline General Partner Inc.	0.01%	0%

EXHIBIT 4.3(c)

EXAMPLE OF SYSTEM EXPANSION ADJUSTMENTS

INITIAL PROJECT

Dawn Gateway Pipeline, LLC ("LLC") initial capital	$ [redacted]
Partnership initial capital	$ [redacted]

Intial Project

Capital Accounts contain the capital invested by each Member/Partner. Distribution Allocation is derived by taking the Capital Account of each Member divided by the total Capital Account for all Members. This is calculated separately for the LLC and Partnership. Voting Interest / Shareholder Interest is derived by taking the total Capital Account (LLC plus Parthership) for each Member/Partner divided by the total Capital Account (LLC plus Partnership) for all Members/Partners. Voting Interest / Shareholder interest is calculated in total and then applied to both the LLC and Partnership

LLC

Member	Capital Account	Distribution Allocation	Voting Interest
A	[redacted]	50%	50%
B	[redacted]	50%	50%
	[redacted]	100%	100%

Partnership

Partner	Capital Account	Distribution Allocation	Shareholder Interest
A	[redacted]	50%	50%
B	[redacted]	50%	50%
	[redacted]	100%	100%

Member	Total Capital Account	Voting Interest / Shareholder Interest
A	[redacted]	50%
B	[redacted]	50%
	[redacted]	100%

SYSTEM EXPANSION SCENARIO FOR EXPANSION IN U.S.

LLC expansion capital	$ [redacted]
Partnership expansion capital	$ -
Fair market value of current Capital Account	[redacted]

After an Expansion

Current Capital Account results from the initial Capital Account adjusted for items contained in Section 4.5 of this Agreement. Fair Market Value ("FMV") Capital Account is fair market value of the assets prior to a System Expansion. Total Capital Account (LLC or Partnership) reflects the FMV Capital Account plus the expansion capital contributed by the Participating Member(s)/Partner(s). Distribution Allocation is recalculated based on the total Capital Account (LLC or Partnership) of each individual company (LLC or Partnership) Voting Interest/ Shareholder Interest is recalculated based on the total Capital Account (LLC plus Partnership) and the same percentage is applied to each individual company (LLC & Partnership) so voting remains constant.

LLC

Member	Current Capital Account	FMV Capital Account	Add Capital	Total Capital Account (LLC)	Distribution Allocation	Voting Interest
A	[redacted]	[redacted]	[redacted]	[redacted]	94%	68%
B	[redacted]	[redacted]	[redacted]	[redacted]	6%	32%
	[redacted]	[redacted]	[redacted]	[redacted]	100%	100%

Partnership

Member	Current Capital Account	FMV Capital Account	Add Capital	Total Capital Account (LP)	Distribution Allocation	Shareholder Interest
A	[redacted]	[redacted]	[redacted]	[redacted]	50%	68%
B	[redacted]	[redacted]	[redacted]	[redacted]	50%	32%
	[redacted]	[redacted]	[redacted]	[redacted]	100%	100%

Member	Total Capital Account	Voting Interest / Shareholder Interest
A	[redacted]	68%
B	[redacted]	32%
	[redacted]	100%

EXHIBIT 8.14(d)

MATTERS REQUIRING SUPER MAJORITY APPROVAL

The following actions of the Partners will require a Super Majority Approval:

Nil.

EXHIBIT 8.14(e)

MATTERS REQUIRING UNANIMOUS APPROVAL

The following actions of the Partners will require a Unanimous Approval:

1. Dissolution of the Partnership pursuant to Section 12.1(a);

2. Approval on the Disposition or Encumbrance of the General Partner's Partnership Interest pursuant to Section 3.3(f);

3. Approval of additional Partners pursuant to Section 3.4;

4. Approval for the sale, lease or other disposition of (i) assets in excess of $1 million in gross fair market value of (ii) substantially all of the assets of the Partnership;

5. Any sale, merger, reorganization, consolidation or similar restructuring of the Partnership;

6. Authorization for a Partner to contribute non-cash property in lieu of cash as a Capital Contribution;

7. Removing the General Partner and selecting a replacement General Partner; and

8. Any amendment or restatement to the Declaration or this Partnership Agreement.

Exhibit 14.3
Addresses for Notices

PARTNER	ADDRESS
Spectra Energy Midstream Holdings Partnership	**Spectra Energy Midstream Holdings Partnership** c/o Union Gas Limited 50 Keil Drive North Chatham, ON L7M 5M1 Attn: Assistant General Counsel Fax: (519) 436.5218
DTE Vector Canada, Inc.	**DTE Vector Canada, Inc.** c/o DTE Pipeline Company One Energy Plaza Suite 2084 WCB Detroit, Michigan 48226 Attn: General Counsel Fax: (313) 235.6450
Dawn Gateway Pipeline General Partner Inc.	To each of the following: **Dawn Gateway Pipeline General Partner Inc.** c/o Union Gas Limited 50 Keil Drive North Chatham, ON L7M 5M1 Attn: Stephen W. Baker Fax: (519) 436.5218 **Dawn Gateway Pipeline General Partner Inc.** c/o DTE Pipeline Company One Energy Plaza Suite 2084 WCB Detroit, Michigan 48226 Attn: Peter Cianci Fax: (313) 235.6450

PARTNERSHIP	ADDRESS
Dawn Gateway Pipeline Limited Partnership	To each of the following: Dawn Gateway Pipeline Limited Partnership c/o Dawn Gateway Pipeline General Partner Inc. c/oUnion Gas Limited 50 Keil Drive North Chatham, ON L7M 5M1 Attn: Stephen W. Baker Fax: (519) 436.5218 Dawn Gateway Pipeline Limited Partnership c/o Dawn Gateway Pipeline General Partner Inc c/o DTE Pipeline Company One Energy Plaza Suite 2084 WCB Detroit, Michigan 48226 Attn: Peter Cianci Fax: (313) 235.6450

ANNEX A

UNITED STATES TAX MATTERS

1. ***United States Tax Matters.*** Each of the Initial Partners agrees, and any other person that becomes a Partner shall as a condition thereto agree, that it will take such actions as may be requested by the Board of Managers from time to time, including the execution and delivery of a United States Internal Revenue Service Form 8832, in order to achieve the classification desired by the Board of Managers for the Partnership for United States federal tax purposes as a corporation, a partnership, or an entity that is disregarded as an entity separate from its owner, pursuant to United States Treasury Regulations §§ 301.7701-1 through 301.7701-3.

For purposes of this Annex A, the following terms have the following meanings:

"***Adjusted Capital Account***" means the U.S. Capital Account maintained for each Partner, (a) increased by any amounts that such Partner is obligated to restore or is treated as obligated to restore under Treasury Regulation Sections 1.704 1(b)(2)(ii)(c), 1.704 2(g)(1) and 1.704 2(i)(5)), and (b) decreased by any amounts described in Treasury Regulation Section 1.704 1(b)(2)(ii)(d)(4), (5) and (6) with respect to such Partner.

"***Book Value***" means, with respect to any property, such property's U.S. adjusted basis for U.S. federal income tax purposes, except as follows:

(a) The initial Book Value of any property contributed by a Partner to the Partnership shall be the fair market value of such property as determined by the Tax Matters Partner (defined below);

(b) The Book Values of all properties shall be adjusted to equal their respective fair market values as determined by the Tax Matters Partner in connection with (i) the acquisition of an additional interest in the Partnership by any new or existing Partner in exchange for more than a de minimis capital contribution to the Partnership, (ii) the distribution by the Partnership to a Partner of more than a de minimis amount of property as consideration for an interest in the Partnership, (iii) the liquidation of the Partnership within the meaning of Treasury Regulation Section 1.704 1(b)(2)(ii)(g), (iv) the grant of an interest in the Partnership (other than a de minimis interest) as consideration for the provision of services to or for the benefit of the Partnership by an existing Partner acting in a Partner capacity, or by a new Partner acting in a Partner capacity or in anticipation of being a Partner, (v) the acquisition of an interest in the Partnership by any new or existing Partner upon the exercise of a noncompensatory warrant in accordance with Proposed Treasury Regulation Section 1.704-1(b)(2)(iv)(s), as such Treasury Regulation may be amended or modified, including upon the issuance of temporary or final Treasury Regulations or (vi) any other event to the extent determined by the Tax Matters Partner to be necessary to properly reflect Book Values in accordance with the standards set forth in Treasury Regulation Section 1.704-1(b)(2)(iv)(q); provided that adjustments pursuant to clauses (i) and (ii) above shall be made only if the Tax Matters Partner reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Partners in the

Partnership. If any noncompensatory warrants are outstanding upon the occurrence of an event described in this paragraph (b)(i) through (b)(v), the Partnership shall adjust the Book Values of its properties in accordance with Proposed Treasury Regulation Sections 1.704-1(b)(2)(iv)(f)(1) and 1.704-1(b)(2)(iv)(h)(2), as such Proposed Treasury Regulations may be amended or modified, including upon the issuance of temporary or final Treasury Regulations.

(c) The Book Value of property distributed to a Partner shall be the fair market value of such property as determined by the Tax Matters Partner; and

(d) The Book Value of all properties shall be increased (or decreased) to reflect any adjustments to the U.S. adjusted basis of such property pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining U.S. Capital Accounts pursuant to Treasury Regulation Section 1.704 1(b)(2)(iv)(m) and clause (f) of the definition of Profits and Losses; provided, however, Book Value shall not be adjusted pursuant to this clause (d) to the extent the Tax Matters Partner determines that an adjustment pursuant to clause (b) hereof is necessary or appropriate in connection with the transaction that would otherwise result in an adjustment pursuant to this clause (d).

If the Book Value of property has been determined or adjusted pursuant to clause (b) or (d) hereof, such Book Value shall thereafter be adjusted by the Depreciation taken into account with respect to such property for purposes of computing Profits and Losses.

"***Code***" means the United States Internal Revenue Code of 1986, as amended.

"***Depreciation***" means, for each taxable year, an amount equal to the depreciation, amortization or other cost recovery deduction allowable for U.S. federal income tax purposes with respect to property for such taxable year, except that (A) with respect to any property the Book Value of which differs from its U.S. adjusted tax basis for U.S. federal income tax purposes and which difference is being eliminated by use of the remedial allocation method pursuant to Treasury Regulation Section 1.704-3(d), Depreciation for such taxable year shall be the amount of book basis recovered for such taxable year under the rules prescribed by Treasury Regulation Section 1.704-3(d)(2), and (B) with respect to any other property the Book Value of which differs from its U.S. adjusted tax basis at the beginning of such taxable year, Depreciation shall be an amount which bears the same ratio to such beginning Book Value as the Federal income tax depreciation, amortization, or other cost recovery deduction for such taxable year bears to such beginning adjusted tax basis; provided that if the U.S. adjusted tax basis of any property at the beginning of such taxable year is zero, Depreciation with respect to such property shall be determined with reference to such beginning value using any reasonable method selected by the Tax Matters Partner.

"***Economic Risk of Loss***" has the meaning assigned to that term in Treasury Regulation Section 1.752 2(a).

"***Minimum Gain***" has the meaning assigned to that term in Treasury Regulation Section 1.704 2(d).

"***Nonrecourse Deductions***" has the meaning assigned to that term in Treasury Regulation Section 1.704 2(b).

"***Nonrecourse Liability***" has the meaning assigned to that term in Treasury Regulation Section 1.752 1(a)(2).

"***Partner Nonrecourse Debt***" has the meaning assigned to the term "partner nonrecourse debt" in Treasury Regulation Section 1.704-2(b)(4).

"***Partner Nonrecourse Debt Minimum Gain***" has the meaning assigned to the term "partner nonrecourse debt minimum gain" in Treasury Regulation Section 1.704 2(i)(2).

"***Partner Nonrecourse Deductions***" has the meaning assigned to the term "partner nonrecourse deductions" in Treasury Regulation Section 1.704 2(i)(1).

"***Profits***" or "***Losses***" means, for each taxable year, an amount equal to the Partnership's taxable income or loss for such taxable year, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments (without duplication):

(a) Any income of the Partnership that is exempt from U.S. federal income tax and not otherwise taken into account in computing Profits or Losses shall be added to such taxable income or loss;

(b) Any expenditures of the Partnership described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses shall be subtracted from such taxable income or loss;

(c) In the event the Book Value of any asset is adjusted pursuant to clause (b) or clause (c) of the definition of Book Value, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the Book Value of the asset) or an item of loss (if the adjustment decreases the Book Value of the asset) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses;

(d) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for U.S. federal income tax purposes shall be computed by reference to the Book Value of the property disposed of, notwithstanding that the U.S. adjusted tax basis of such property differs from its Book Value;

(e) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such taxable year;

(f) To the extent an adjustment to the U.S. adjusted tax basis of any asset pursuant to Code Section 734(b) is required, pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining U.S. Capital Accounts as a result

of a distribution other than in liquidation of a Partner's interest in the Partnership, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or an item of loss (if the adjustment decreases such basis) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses; and

(g) Any items that are allocated pursuant to the Regulatory Allocations shall not be taken into account in computing Profits and Losses, and the amounts of the items of income, gain, loss or deduction available to be allocated pursuant to the Regulatory Allocations shall be determined by applying rules analogous to those set forth in clauses (a) through (f) hereof.

"***Regulatory Allocations***" means the allocations pursuant to Section 3 of this Annex.

"***Treasury Regulations***" means the regulations adopted or proposed under the Code.

"***U.S. Capital Account***" means the capital account established and maintained for each Partner in accordance with Treasury Regulation Section 1.704-1(b). Specifically, a U.S. Capital Account shall be established and maintained for each Partner. Each Partner's U.S. Capital Account (a) shall be increased by (i) the amount of money contributed by that Partner to the Partnership, (ii) the Book Value of property contributed by that Partner to the Partnership (net of liabilities secured by the contributed property that the Partnership is considered to assume or take subject to under Code section 752) and (iii) allocations to that Partner of Profits and any items of income or gain allocated to such Partner pursuant to the Regulatory Allocations, and (b) shall be decreased by (i) the amount of money distributed to that Partner by the Partnership, (ii) the Book Value of property distributed to that Partner by the Partnership (net of liabilities secured by the distributed property that the Partner is considered to assume or take subject to under Code section 752), and (iii) allocations to that Partner of Losses and any items of loss or deduction allocated to such Partner pursuant to the Regulatory Allocations. The U.S. Capital Accounts shall also be increased or decreased (i) to reflect a revaluation of Partnership property pursuant to paragraph (b) of the definition of Book Value and (ii) upon the exercise of any noncompensatory warrant pursuant to the requirements of Proposed Treasury Regulation Sections 1.704-1(b)(2)(iv)(d)(4) and 1.704-1(b)(2)(iv)(s), as such Proposed Treasury Regulations may be amended or modified, including upon the issuance of temporary or final Treasury Regulations. A Partner that has more than one Partnership Interest in the Partnership shall have a single U.S. Capital Account that reflects all such Partnership Interests, regardless of the class of Partnership Interests owned and the time or manner in which such Partnership Interests were acquired. On the transfer of all or part of a Partnership Interest, the U.S. Capital Account of the transferor that is attributable to the transferred Partnership Interest shall carry over to the transferee Partner in accordance with the provisions of Treasury Regulation Section 1.704 1(b)(2)(iv)(l).

2. ***Allocations of Profits and Losses***. For each taxable year of the Partnership, Profits and Losses, or items of income, gain, loss or deduction comprising Profits or Losses (comprised of a pro rata portion of the items of income and gain or a pro rata portion of the items of loss and deduction), shall be allocated among the Partners in a manner determined by the Tax Matters Partner that will, as nearly as possible, cause the balance in each Partner's U.S. Capital Account to be equal to the excess (which may be a negative amount) of:

(a) the hypothetical distribution (if any) that such Partner would receive if, on the last day of the taxable year, (i) all properties of the Partnership (including cash) were sold for cash equal to their Book Values, taking into account any adjustments thereto for such taxable year, (ii) all liabilities of the Partnership were satisfied in cash according to their terms (limited, with respect to each Nonrecourse Liability, to the Book Value of the property securing such liability), and (iii) the net proceeds thereof (after satisfaction of such liabilities) were distributed in full pursuant to the provisions of this Agreement, over

(b) the sum of (i) the amount, if any, which such Partner is obligated to contribute to the capital of the Partnership, (ii) such Partner's share of the Partnership's Minimum Gain determined pursuant to Treasury Regulation Section 1.704-2(g), and (iii) such Partner's share of Partner Nonrecourse Debt Minimum Gain determined pursuant to Treasury Regulation Section 1.704-2(i)(5), all computed immediately prior to the hypothetical sale described in Section 2(a).

3. ***Regulatory Allocations.*** The following allocations shall be made in the following order:

(a) Nonrecourse Deductions shall be allocated to the Partners in accordance with their Sharing Ratios.

(b) Partner Nonrecourse Deductions attributable to Partner Nonrecourse Debt shall be allocated to the Partners bearing the Economic Risk of Loss for such Partner Nonrecourse Debt as determined under Treasury Regulation Section 1.704-2(b)(4). If more than one Partner bears the Economic Risk of Loss for such Partner Nonrecourse Debt, the Partner Nonrecourse Deductions attributable to such Partner Nonrecourse Debt shall be allocated among the Partners according to the ratio in which they bear the Economic Risk of Loss. This Section 3(b) is intended to comply with the provisions of Treasury Regulation Section 1.704-2(i) and shall be interpreted consistently therewith.

(c) Notwithstanding any other provision hereof to the contrary, if there is a net decrease in Minimum Gain for a taxable year (or if there was a net decrease in Minimum Gain for a prior taxable year and the Partnership did not have sufficient amounts of income and gain during prior years to allocate among the Partners under this Section 3(c)), items of income and gain shall be allocated to each Partner in an amount equal to such Partner's share of the net decrease in such Minimum Gain (as determined pursuant to Treasury Regulation Section 1.704-2(g)(2)). This Section 3(c) is intended to constitute a minimum gain chargeback under Treasury Regulation Section 1.704 2(f) and shall be interpreted consistently therewith.

(d) Notwithstanding any provision hereof to the contrary except Section 3(c) (dealing with Minimum Gain), if there is a net decrease in Partner Nonrecourse Debt Minimum Gain for a taxable year (or if there was a net decrease in Partner Nonrecourse Debt Minimum Gain for a prior taxable year and the Partnership did not have sufficient amounts of income and gain during prior years to allocate among the Partners under this Section 3(d)), items of income and gain shall be allocated to each Partner in an amount equal to such Partner's share of the net decrease in Partner Nonrecourse Debt Minimum Gain (as

determined pursuant to Treasury Regulation Section 1.704-2(i)(4)). This Section 3(d) is intended to constitute a Partner nonrecourse debt minimum gain chargeback under Treasury Regulation Section 1.704 2(i)(4) and shall be interpreted consistently therewith.

(e) Notwithstanding any provision hereof to the contrary except Sections 3(c) and (d) (dealing with Minimum Gain and Partner Nonrecourse Debt Minimum Gain), a Partner who unexpectedly receives an adjustment, allocation or distribution described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) shall be allocated items of income and gain (consisting of a pro rata portion of each item of income, including gross income, and gain for the taxable year) in an amount and manner sufficient to eliminate any deficit balance in such Partner's Adjusted Capital Account as quickly as possible. This Section 3(e) is intended to constitute a qualified income offset under Treasury Regulation Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(f) To the extent an adjustment to the adjusted tax basis of any Partnership properties pursuant to Code Section 734(b) or Code Section 743(b) is required pursuant to Treasury Regulation Section 1.704 1(b)(2)(iv)(m)(2) or 1.704 1(b)(2)(iv)(m)(4) to be taken into account in determining U.S. Capital Accounts as the result of a distribution to any Partner in complete liquidation of such Partner's Partnership interest, the amount of such adjustment to U.S. Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be allocated to the Partners in accordance with Treasury Regulation Section 1.704 1(b)(2)(iv)(m)(2) if such Section applies, or to the Partner to whom such distribution was made if Treasury Regulation Section 1.704 1(b)(2)(iv)(m)(4) applies.

4. ***U.S. Federal Income Tax Allocations.***

(a) All items of income, gain, loss and deduction of the Partnership for U.S. federal income tax purposes shall be allocated in the same manner as the corresponding item of Profits and Losses is allocated for book purposes, except as otherwise provided in this Section 4.

(b) In accordance with Code Section 704(c) and the applicable Treasury Regulations thereunder, income, gain, loss and deduction with respect to any property contributed to the Partnership shall, solely for U.S. federal income tax purposes, be allocated among the Partners so as to take account of any variation between the adjusted basis of such property to the Partnership for federal income tax purposes and its initial Book Value.

In the event the Book Value of any property is adjusted pursuant to clause (b) or (d) of the definition of Book Value, subsequent allocations of income, gain, loss and deduction with respect to such property shall take account of any variation between the adjusted basis of such property for U.S. federal income tax purposes and its Book Value in the same manner as under Code Section 704(c) and the applicable Regulations thereunder. For purposes of such allocations, the Partnership shall elect the allocation method under Treasury Regulation Section 1.704-3 determined by the Tax Matters Partner.

(c) If any deductions for depreciation or cost recovery are recaptured as ordinary income upon the sale or other disposition of Partnership properties, the ordinary income

character of the gain from such sale or disposition shall be allocated among the Partners in the same ratio as the deductions giving rise to such ordinary income character were allocated.

(d) Allocations pursuant to this Section 4 are solely for purposes of U.S. federal income taxes and shall not affect, or in any way be taken into account in computing, any Partner's U.S. Capital Account or share of Profits, Losses, other items or distributions pursuant to any provision of this Annex.

5. ***Other Allocation Rules***

(a) All items of income, gain, loss, deduction and credit allocable to an interest in the Partnership that may have been transferred shall be allocated between the transferor and the transferee based on the portion of the calendar year during which each was recognized as the owner of such interest, without regard to the results of Partnership operations during any particular portion of that calendar year and without regard to whether cash distributions were made to the transferor or the transferee during that calendar year; provided, however, that this allocation must be made in accordance with a method permissible under Code Section 706 and the regulations thereunder.

(b) The Partners' proportionate shares of the "excess nonrecourse liabilities" of the Partnership, within the meaning of Treasury Regulation Section 1.752-3(a)(3), shall be determined in accordance with the Sharing Ratio.

6. ***Tax Elections***. The Partnership shall make the following elections on the appropriate tax returns:

(a) to adopt the calendar year as the Partnership's fiscal year;

(b) to adopt the accrual method of accounting and to keep the Partnership's books and records on the method used for U.S. federal income tax purposes;

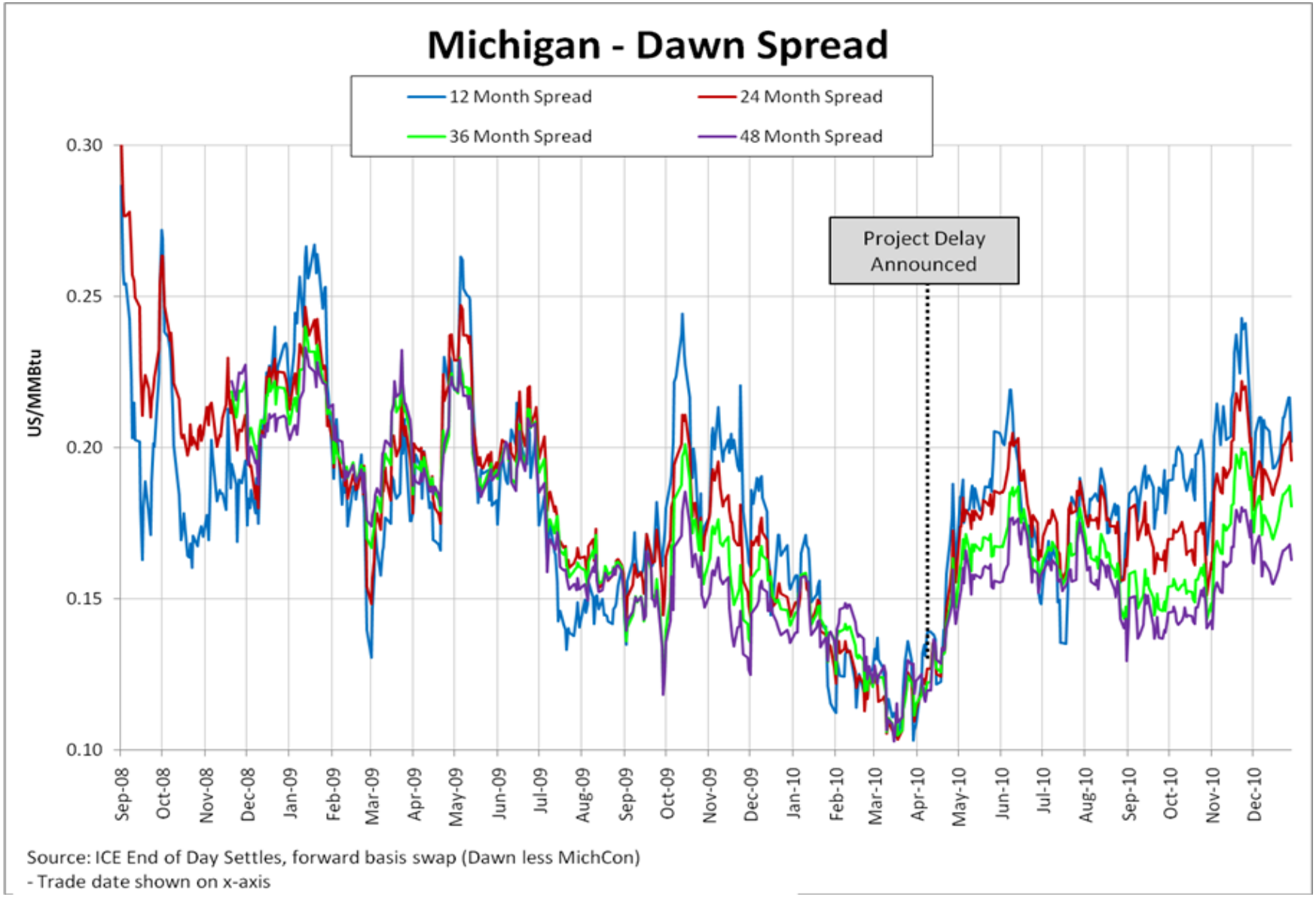
(c) if there is a distribution of Partnership property as described in Code Section 734 or if there is a transfer of an interest in the Partnership as described in Code Section 743, upon determination by the Tax Matters Partner to elect, pursuant to Code Section 754, to adjust the basis of Partnership properties;

(d) to elect to amortize the organizational expenses of the Partnership over a period of 180 months as permitted by Code Section 709(b);

(e) any other election the Tax Matters Partner may deem appropriate and in the best interests of the Partners.

7. ***Tax Matters Partner***. The General Partner shall be the "tax matters partner" of the Partnership pursuant to Code Section 6231(a)(7). The Board of Managers shall have the right to direct the Tax Matters Partner in its capacity as such. The Tax Matters Partner shall cause to be prepared and filed all necessary U.S. federal income tax returns for the Partnership, including making the elections described in Section 6. Each Partner shall furnish to the Tax Matters Partner all pertinent information in its possession relating to

Partnership operations that is necessary to enable the Partnership's tax returns to be prepared and filed.


Michigan - Dawn Spread
12 Month Spread
24 Month Spread
36 Month Spread
48 Month Spread
Project Delay Announced
US/MMBtu
0.30
0.25
0.20
0.15
0.10
Sep-08
Oct-08
Nov-08
Dec-08
Jan-09
Feb-09
Mar-09
Apr-09
May-09
Jun-09
Jul-09
Aug-09
Sep-09
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Jan-10
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Mar-10
Apr-10
May-10
Jun-10
Jul-10
Aug-10
Sep-10
Oct-10
Nov-10
Dec-10
Source: ICE End of Day Settles, forward basis swap (Dawn less MichCon)
- Trade date shown on x-axis

DTE PROJECT UPDATE

DTE Pipeline Company ("DTE"), through its affiliates, owns a 50 per cent interest in Dawn Gateway Pipeline LLC, Dawn Gateway Pipeline Limited Partnership and Dawn Gateway Pipeline General Partnership (collectively "Dawn Gateway") with the other half of the partnership owned by Spectra Energy. The initial capital investment was also on an equal basis and all Dawn Gateway decisions must be made unanimously, with no one partner having control.

Shortly after receiving the Board regulatory approvals necessary for the Dawn Gateway Pipeline project, DTE, as marketing agent for Dawn Gateway, was approached by the shippers asking to cancel the project.

As described in Exhibit C, between the original open season in September/October 2008 and the Board decision in March 2010, significant changes occurred in the North American supply market, resulting in declining transportation values across North America, including the value of transportation between Michigan and Dawn. It is because of this uncertainty and decline in value that the shippers approached Dawn Gateway to discuss postponement or cancellation of the project.

Shippers were under pressure from their management to shed long term transportation commitments and since Dawn Gateway had not yet been built, shippers approached

Dawn Gateway to determine if a cancellation or postponement could be negotiated. At the same time, DTE and Spectra Energy were concerned that after the initial transportation contracts, the value of this transport may be diminished and shippers' appetite to renew would be low if the project did not have the support of its shippers.

Through negotiations, Dawn Gateway and the shippers ultimately agreed to amend the Precedent Agreements allowing the Dawn Gateway project to be delayed until the market was supportive of the pipeline project advancing in either 2011 or 2012, in exchange for the shippers reimbursing the development costs incurred to date.

The value of transportation between Michigan and Dawn has improved since the agreement reached with shippers to delay the Dawn Gateway project. However, the value 3 or 4 years out is still significantly less than the value in the first couple of years because of the continued uncertainty in the market. DTE, as marketing agent, continues to talk with the shippers and other potential market participants to try and secure support for the project. In late 2010 another open season was held to try and garner additional support for the project, however there was not enough commitment to proceed.

The shifting North American natural gas supply continues to create uncertainty in the market and potential customers are hesitant to make the necessary commitments at this time to make the project viable. Until such time as there is appropriate customer support, the Dawn Gateway project will not proceed.