

ENBRIDGE INC  
Form SUPPL  
July 11, 2017

Use these links to rapidly review the document

[TABLE OF CONTENTS](#)

[Table of Contents](#)

Filed pursuant to General Instruction II.L. of Form F-10;  
File No. 333-213234.

Prospectus Supplement  
July 10, 2017  
(To Prospectus Dated August 19, 2016)

**US\$1,000,000,000**

**Enbridge Inc.**

**5.50% Fixed-to-Floating Rate Subordinated Notes Series 2017-A due 2077  
Preference Shares, Series 2017-A Issuable Upon Automatic Conversion**

---

We are offering US\$1,000,000,000 aggregate principal amount of 5.50% Fixed-to-Floating Rate Subordinated Notes Series 2017-A due July 15, 2077 (the "Notes"). The Notes will mature on July 15, 2077 (the "Maturity Date"). We will pay interest on the Notes at a fixed rate of 5.50% per year in equal semi-annual installments on January 15 and July 15 of each year until July 15, 2027, payable in arrears. Thereafter, we will pay interest on the Notes on every October 15, January 15, April 15 and July 15 of each year during which the Notes are outstanding until July 15, 2077 (each such semi-annual or quarterly date, as applicable, an "Interest Payment Date"). Starting on July 15, 2027, and on every October 15, January 15, April 15 and July 15 of each year during which the Notes are outstanding thereafter until July 15, 2077 (each such date, an "Interest Reset Date"), the interest rate on the Notes will be reset at an interest rate per annum equal to (i) starting on July 15, 2027, on every Interest Reset Date until July 15, 2047, the three month LIBOR plus 3.418%, payable in arrears and (ii) starting on July 15, 2047, on every Interest Reset Date until July 15, 2077, the three month LIBOR plus 4.168%, payable in arrears. So long as no event of default has occurred and is continuing, we may elect, at our sole option, to defer the interest payable on the Notes on one or more occasions for up to five consecutive years (a "Deferral Period"). Deferred interest will accrue, compounding on each subsequent Interest Payment Date, until paid. No Deferral Period may extend beyond the Maturity Date.

The Notes, including accrued and unpaid interest thereon, will be converted automatically (an "Automatic Conversion"), without the consent of the holders thereof (the "Noteholders"), into shares of a newly-issued series of our preference shares, designated as Preference Shares, Series 2017-A (the "Conversion Preference Shares") upon the occurrence of an Automatic Conversion Event (as hereinafter defined). As the events that give rise to an Automatic Conversion are bankruptcy and related events, it is in our interest to ensure that an Automatic Conversion does not occur, although the events that could give rise to an Automatic Conversion may be beyond our control. On or after July 15, 2027, we may, at our option, redeem the Notes, in whole at any time or in part from time to time, on any Interest Payment Date at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest to, but excluding, the date fixed for redemption. Prior to the initial Interest Reset Date and within 90 days of a Tax Event (as hereinafter defined), we may, at our option, redeem all (but not less than all) of the Notes at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest to, but excluding, the date fixed for redemption. Prior to the initial Interest Reset Date and within 90 days of a Rating Event (as hereinafter defined), we may, at our option, redeem all (but not less than all) of the Notes at a redemption price equal to 102% of the principal amount thereof, together with accrued and unpaid interest to, but excluding, the date fixed for redemption.

See "Description of the Notes - General."

---

## Edgar Filing: ENBRIDGE INC - Form SUPPL

This offering is made by a foreign issuer that is permitted, under a multi-jurisdictional disclosure system adopted by the United States of America (the "United States"), to prepare this prospectus supplement and the accompanying prospectus in accordance with Canadian disclosure requirements. Prospective investors should be aware that such requirements are different from those of the United States. The financial statements incorporated herein have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") and are subject to Canadian and United States auditing and auditor independence standards.

Prospective investors should be aware that the acquisition of the Notes may have tax consequences both in the United States and Canada. Such tax consequences for investors who are resident in, or citizens of, the United States may not be described fully in this prospectus supplement or in the accompanying prospectus. You should read the tax discussion under "Material Income Tax Considerations" in this prospectus supplement.

The enforcement by investors of civil liabilities under United States federal securities laws may be affected adversely by the fact that we are incorporated and organized under the laws of Canada, that most of our officers and directors are residents of Canada, that some of the experts named in this prospectus supplement or the accompanying prospectus are residents of Canada, and that all or a substantial portion of our assets and said persons are located outside the United States.

Each of Deutsche Bank Securities Inc., Barclays Capital Inc., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC and HSBC Securities (USA) Inc. is, directly or indirectly, an affiliate of a bank or other financial institution that is one of our lenders and to which we are currently indebted. Consequently, we may be considered to be a connected issuer of the underwriters under applicable Canadian securities laws. See "Underwriting."

Investing in the Notes involves risks. See "Risk Factors" beginning on page S-13 of this prospectus supplement.

---

	Per Note		Total
Public offering price	100.00%	US\$	1,000,000,000
Underwriting commission	1.00%	US\$	10,000,000
Proceeds to us (before expenses)	99.00%	US\$	990,000,000

Interest on the Notes will accrue from July 14, 2017.

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission (the "SEC") or any state securities commission nor has the SEC or any United States state securities commission passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the Notes to the purchasers in book-entry form through the facilities of The Depository Trust Company and its direct and indirect participants, including Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme, on or about July 14, 2017.

---

### *Joint Book-Running Managers*

Deutsche Bank Securities

Barclays

Citigroup

Credit Suisse

HSBC

---

Table of Contents

**IMPORTANT NOTICE ABOUT INFORMATION IN  
THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS**

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the Notes we are offering. The second part, the base shelf prospectus, gives more general information, some of which may not apply to the Notes we are offering. The accompanying base shelf prospectus, dated August 19, 2016, is referred to as the "prospectus" in this prospectus supplement.

**We are responsible for the information contained and incorporated by reference in this prospectus supplement, the accompanying prospectus and in any related free writing prospectus we prepare or authorize. We have not authorized anyone to give you any other information, and we take no responsibility for any other information that others may give you. We are not making an offer of the Notes in any jurisdiction where the offer is not permitted. You should bear in mind that although the information contained in, or incorporated by reference in this prospectus supplement or the accompanying prospectus is intended to be accurate as of the date on the front of such documents, such information may also be amended, supplemented or updated by the subsequent filing of additional documents deemed by law to be or otherwise incorporated by reference into this prospectus supplement or the accompanying prospectus and by any subsequently filed prospectus amendments.**

**If the description of the Notes varies between this prospectus supplement and the prospectus, you should rely on the information in this prospectus supplement.**

In this prospectus supplement, all capitalized terms and acronyms used and not otherwise defined herein have the meanings provided in the prospectus. In this prospectus supplement, the prospectus and any document incorporated by reference, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars or "\$." "U.S. dollars" or "US\$" means the lawful currency of the United States. Unless otherwise indicated, all financial information included in this prospectus supplement, the prospectus and any document incorporated by reference is determined using U.S. GAAP. "U.S. GAAP" means generally accepted accounting principles in the United States. Except as set forth under "Description of Notes" and unless otherwise specified or the context otherwise requires, all references in this prospectus supplement, the prospectus and any document incorporated by reference to "Enbridge," the "Corporation," "we," "us" and "our" mean Enbridge Inc. and its subsidiaries, partnership interests and joint venture investments.

Table of Contents

**TABLE OF CONTENTS**

**Prospectus Supplement**

	<b>Page</b>
<u>Exchange Rate Data</u>	<u>S-1</u>
<u>Special Note Regarding Forward-Looking Statements</u>	<u>S-1</u>
<u>Documents Incorporated by Reference</u>	<u>S-3</u>
<u>Summary</u>	<u>S-5</u>
<u>Risk Factors</u>	<u>S-13</u>
<u>Consolidated Capitalization</u>	<u>S-18</u>
<u>Use of Proceeds</u>	<u>S-19</u>
<u>Earnings Coverage Ratios</u>	<u>S-20</u>
<u>Description of the Notes</u>	<u>S-22</u>
<u>Description of the Conversion Preference Shares</u>	<u>S-33</u>
<u>Material Income Tax Considerations</u>	<u>S-36</u>
<u>Underwriting (Conflicts of Interest)</u>	<u>S-43</u>
<u>Legal Matters</u>	<u>S-47</u>
<u>Experts</u>	<u>S-47</u>

**Prospectus**

	<b>Page</b>
<u>About this Prospectus</u>	<u>1</u>
<u>Documents Incorporated by Reference</u>	<u>2</u>
<u>Certain Available Information</u>	<u>3</u>
<u>Special Note Regarding Forward-Looking Statements</u>	<u>4</u>
<u>The Corporation</u>	<u>5</u>
<u>Use of Proceeds</u>	<u>5</u>
<u>Earnings Coverage Ratio</u>	<u>5</u>
<u>Description of Debt Securities</u>	<u>6</u>
<u>Description of Share Capital</u>	<u>20</u>
<u>Certain Income Tax Considerations</u>	<u>21</u>
<u>Plan of Distribution</u>	<u>22</u>
<u>Risk Factors</u>	<u>22</u>
<u>Legal Matters</u>	<u>22</u>
<u>Experts</u>	<u>22</u>
<u>Documents Filed as Part of the Registration Statement</u>	<u>23</u>
<u>Enforcement of Civil Liabilities</u>	<u>23</u>

We expect that delivery of the Notes will be made against payment therefor on or about July 14, 2017, which will be the fourth business day following the date of pricing of the Notes (such settlement cycle being herein referred to as "T+4"). You should note that trading of the Notes on the date hereof may be affected by the T+4 settlement cycle. See "Underwriting."

Table of Contents**EXCHANGE RATE DATA**

The following table sets forth certain exchange rates based on rates in Toronto, Ontario as reported by the Bank of Canada. Such rates are set forth as U.S. dollars per \$1.00 and are the inverse of rates quoted by the Bank of Canada for Canadian dollars per US\$1.00. On July 7, 2017, the inverse of the daily exchange rate was US\$0.7760 per \$1.00.

		Three Months	Year Ended December 31,		
		Ended	2016	2015	2014
	US\$	March 31, 2017			
Low	US\$	0.7405	0.6854	0.7148	0.8589
High	US\$	0.7690	0.7972	0.8527	0.9422
Period End	US\$	0.7506	0.7448	0.7225	0.8620
Average	US\$	0.7555	0.7555	0.7820	0.9054

Source: Bank of Canada website.

**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

The prospectus and this prospectus supplement, including the documents incorporated by reference into the prospectus and this prospectus supplement, contain both historical and forward-looking statements within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), and Section 21E of the U.S. Securities Exchange Act of 1934, as amended (the "U.S. Exchange Act"), and forward-looking information within the meaning of Canadian securities laws (collectively, "forward-looking statements"). This information has been included to provide readers with information about the Corporation and its subsidiaries and affiliates, including management's assessment of the Corporation's and its subsidiaries' future plans and operations. This information may not be appropriate for other purposes. Forward-looking statements are typically identified by words such as "anticipate", "expect", "project", "estimate", "forecast", "plan", "intend", "target", "believe", "likely" and similar words suggesting future outcomes or statements regarding an outlook. Forward-looking information or statements included or incorporated by reference in the prospectus and this prospectus supplement include, but are not limited to, statements with respect to the following: expected earnings before interest and taxes ("EBIT") or expected adjusted EBIT; expected earnings/(loss) or adjusted earnings/(loss); expected earnings/(loss) or adjusted earnings/(loss) per share; expected available cash flow from operations ("ACFFO"); expected future cash flows; financial strength and flexibility; expectations on sources of liquidity and sufficiency of financial resources; expected costs related to announced projects and projects under construction; expected in-service dates for announced projects and projects under construction; expected capital expenditures; expected equity funding requirements for the Corporation's commercially secured growth program; expected future growth and expansion opportunities; expectations about the Corporation's joint venture partners' ability to complete and finance projects under construction; expected closing of acquisitions and dispositions; estimated future dividends; adjusted earnings per share guidance; ACFFO per share guidance; dividend per share growth guidance; expected future actions of regulators; expected costs related to leak remediation and potential insurance recoveries; expectations regarding commodity prices; supply forecasts; this offering, including the closing date thereof and the expected use of proceeds; expectations regarding the impact of the Merger Transaction (as defined below) including the combined Corporation's scale, financial flexibility, growth program, future business prospects and performance; dividend payout policy; dividend growth and dividend payout expectation; expectations on impact of hedging program; and the regulatory framework and recovery of deferred costs by Enbridge Gas New Brunswick Inc.

Although the Corporation believes these forward-looking statements are reasonable based on the information available on the date such statements are made and processes used to prepare the information, such statements are not guarantees of future performance and readers are cautioned against

Table of Contents

placing undue reliance on forward-looking statements. By their nature, these statements involve a variety of assumptions, known and unknown risks and uncertainties and other factors, which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements. Material assumptions include assumptions about the following: the expected supply of and demand for crude oil, natural gas, natural gas liquids ("NGL") and renewable energy; prices of crude oil, natural gas, NGL and renewable energy; exchange rates; inflation; interest rates; availability and price of labour and construction materials; operational reliability; customer and regulatory approvals; maintenance of support and regulatory approvals for the Corporation's projects; anticipated in-service dates; weather; the timing and completion of this offering; the realization of anticipated benefits and synergies of the Merger Transaction, governmental legislation, acquisitions and the timing thereof; the success of integration plans; impact of the dividend policy on the Corporation's future cash flows; credit ratings; capital project funding; expected earnings/(loss) or adjusted earnings/(loss); expected EBIT or expected adjusted EBIT; expected earnings/(loss) or adjusted earnings/(loss) per share; expected future cash flows and expected future ACFFO; and estimated future dividends. Assumptions regarding the expected supply of and demand for crude oil, natural gas, NGL and renewable energy, and the prices of these commodities, are material to and underlie all forward-looking statements. These factors are relevant to all forward-looking statements as they may impact current and future levels of demand for the Corporation's services. Similarly, exchange rates, inflation and interest rates impact the economies and business environments in which the Corporation operates and may impact levels of demand for the Corporation's services and cost of inputs, and are therefore inherent in all forward-looking statements. Due to the interdependencies and correlation of these macroeconomic factors, the impact of any one assumption on a forward-looking statement cannot be determined with certainty, particularly with respect to the impact of the Merger Transaction on the Corporation; expected EBIT, adjusted EBIT, earnings/(loss), adjusted earnings/(loss) and associated per share amounts, ACFFO or estimated future dividends. The most relevant assumptions associated with forward-looking statements on announced projects and projects under construction, including estimated completion dates and expected capital expenditures, include the following: the availability and price of labour and construction materials; the effects of inflation and foreign exchange rates on labour and material costs; the effects of interest rates on borrowing costs; the impact of weather; and customer, government and regulatory approvals on construction and in-service schedules and cost recovery regimes.

The Corporation's forward-looking statements are subject to risks and uncertainties pertaining to the impact of the Merger Transaction, adjusted EBIT, adjusted earnings and adjusted earnings per share guidance, ACFFO and ACFFO per share guidance, dividend per share growth guidance, operating performance, regulatory parameters, dividend policy, project approval and support, renewals of rights of way, weather, economic and competitive conditions, public opinion, changes in tax laws and tax rates, exchange rates, interest rates, commodity prices, political decisions and supply of and demand for commodities, including but not limited to those risks and uncertainties discussed in the prospectus and this prospectus supplement and in documents incorporated by reference into the prospectus and this prospectus supplement. The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these are interdependent and the Corporation's future course of action depends on management's assessment of all information available at the relevant time. Except to the extent required by applicable law, the Corporation assumes no obligation to publicly update or revise any forward-looking statements made in the prospectus and this prospectus supplement or otherwise, whether as a result of new information, future events or otherwise. All subsequent forward-looking statements, whether written or oral, attributable to the Corporation or persons acting on the Corporation's behalf, are expressly qualified in their entirety by these cautionary statements.

For more information on forward-looking statements, the assumptions underlying them, and the risks and uncertainties affecting them, see "Special Note Regarding Forward-Looking Statements" in the prospectus and "Risk Factors" in this prospectus supplement and the prospectus.

Table of Contents

**DOCUMENTS INCORPORATED BY REFERENCE**

The following documents of the Corporation, filed with the various securities commissions or similar regulatory authorities in each of the provinces of Canada and with the SEC, are specifically incorporated by reference in, and form an integral part of, this prospectus supplement and the accompanying prospectus:

annual information form of the Corporation dated February 17, 2017 for the year ended December 31, 2016, included as an exhibit to the Corporation's Form 40-F for the year ended December 31, 2016, filed with the SEC on February 17, 2017;

consolidated comparative financial statements of the Corporation as at and for the years ended December 31, 2016 and 2015 and the auditors' report thereon, filed on Form 6-K with the SEC on April 6, 2017;

management's discussion and analysis of financial condition and results of operations for the year ended December 31, 2016, filed on Form 6-K with the SEC on April 6, 2017;

unaudited interim consolidated comparative financial statements of the Corporation as at and for the three months ended March 31, 2017, filed on Form 6-K with the SEC on May 11, 2017;

management's discussion and analysis of financial condition and results of operations for the three month period ended March 31, 2017, filed on Form 6-K with the SEC on May 11, 2017;

business acquisition report ("BAR") of the Corporation dated May 10, 2017 relating to the acquisition by the Corporation, effective February 27, 2017, of all the outstanding common stock of Spectra Energy Corp ("Spectra Energy") pursuant to a stock-for-stock merger transaction (the "Merger Transaction"), filed on Form 6-K with the SEC on June 2, 2017, and consent of Deloitte & Touche LLP to inclusion herein of their report included in the BAR, filed on Form 6-K/A with the SEC on June 12, 2017;

material change report of the Corporation dated March 3, 2017 relating to the completion of the Merger Transaction, filed on Form 6-K with the SEC on March 6, 2017;

management information circular of the Corporation dated March 13, 2017 relating to the annual meeting of the shareholders of the Corporation held on May 11, 2017, filed on Form 6-K with the SEC on April 6, 2017; and

management information circular of the Corporation dated November 10, 2016 relating to the special meeting of shareholders held on December 15, 2016 (the "Transaction Circular"), filed on Form 6-K with the SEC on November 15, 2016.

The fairness opinion prepared by RBC Dominion Securities Inc. dated September 5, 2016 appended as Appendix D to the Transaction Circular and the summaries thereof at pages 23 and 66 to 67 of the Transaction Circular are not incorporated into this prospectus supplement or the prospectus. The fairness opinion prepared by Credit Suisse Securities (Canada), Inc. dated September 5, 2016 appended as Appendix C to the Transaction Circular and the summaries thereof at pages 22 to 23 and 66 of the Transaction Circular are not incorporated into this prospectus supplement or the prospectus.

Any documents of the type referred to above, and material change reports (excluding confidential material change reports) subsequently filed by the Corporation with the various securities commissions or similar regulatory authorities in each of the provinces of Canada after the date of this prospectus supplement and prior to the termination of any offering of Securities shall be deemed to be incorporated by reference into this prospectus supplement and the accompanying prospectus. These documents are available through the internet on the System for Electronic

## Edgar Filing: ENBRIDGE INC - Form SUPPL

Document Analysis and Retrieval ("SEDAR") which can be accessed at [www.sedar.com](http://www.sedar.com). In addition, any similar documents filed on Form 6-K or Form 40-F by the Corporation with the SEC after the date of this prospectus supplement shall be deemed

S-3

---



Table of Contents

to be incorporated by reference into this prospectus supplement and the accompanying prospectus and the registration statement of which this prospectus supplement and the accompanying prospectus form a part, if and to the extent expressly provided in such report. The Corporation's reports on Form 6-K and its annual report on Form 40-F (and amendment thereto) are available on the SEC's website at [www.sec.gov](http://www.sec.gov).

**Any statement contained in this prospectus supplement or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement is not to be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement. For the avoidance of doubt, the financial statements of Spectra Energy as well as the pro forma financial statements forming part of and contained in the Transaction Circular, including the summary descriptions thereof, do not form part of this prospectus supplement as such financial information was modified and superseded by the financial information forming part of and contained within the BAR.**

In addition, any template version of any other marketing materials filed with the securities commission or similar authority in each of the provinces of Canada in connection with this offering after the date hereof but prior to the termination of the distribution of the securities under this prospectus supplement is deemed to be incorporated by reference herein and in the prospectus.

Copies of the documents incorporated herein by reference (other than exhibits to such documents, unless such exhibits are specifically incorporated by reference in such documents) may be obtained on request without charge from the Corporate Secretary of Enbridge Inc., Suite 200, 425 1st Street S.W., Calgary, Alberta, Canada T2P 3L8 (telephone (403) 231-3900).

Table of Contents

**SUMMARY**

*This summary highlights information contained elsewhere in this prospectus supplement and the accompanying prospectus. It is not complete and may not contain all of the information that you should consider before investing in the Notes. You should read this entire prospectus supplement and the accompanying prospectus carefully.*

**The Corporation**

Enbridge was incorporated under the *Companies Ordinance* of the Northwest Territories and was continued under the *Canada Business Corporations Act*. The Corporation is a leading North American energy infrastructure company with strategic business platforms that include an extensive network of crude oil, liquids and natural gas pipelines, regulated natural gas distribution utilities and renewable power generation. As a transporter of energy, the Corporation delivers an average of 2.8 million barrels of crude oil each day through its Mainline and Express Pipeline, and accounts for approximately 64% of United States bound Canadian crude oil exports. The Corporation also moves approximately 20% of all natural gas consumed in the United States, serving key supply basins and demand markets. As a distributor of energy, the Corporation's regulated utilities serve approximately 3.5 million retail customers in Ontario, Quebec, New Brunswick and New York State. As a generator of energy, the Corporation has a growing involvement in electricity infrastructure with interests in more than 2,500 megawatts (net) of renewable generating capacity, and an expanding offshore wind portfolio in Europe.

Enbridge is a public company trading on both the Toronto Stock Exchange and the New York Stock Exchange under the ticker symbol "ENB". Enbridge's principal executive offices are located at Suite 200, 425 - 1st Street S.W., Calgary, Alberta, Canada T2P 3L8, and its telephone number is (403) 231-3900.

Table of Contents

**The Offering**

*In this section, the terms "Corporation," "Enbridge," "we," "us" or "our" refer only to Enbridge Inc. and not to its subsidiaries.*

<b>Issuer</b>	Enbridge Inc.
<b>Securities Offered</b>	US\$1,000,000,000 aggregate principal amount of 5.50% Fixed-to-Floating Rate Subordinated Notes Series 2017-A due 2077 (the "Notes").
<b>Maturity Date</b>	The Notes will mature on July 15, 2077.
<b>Use of Proceeds</b>	We estimate that the net proceeds of the offering of the Notes, after deducting underwriting commissions and the estimated expenses of the offering, will be approximately US\$989,700,000. We intend to use the net proceeds from this offering to partially fund capital projects, to reduce existing indebtedness and for other general corporate purposes. See "Use of Proceeds" in this prospectus supplement.
<b>Interest</b>	<p>We will pay interest on the Notes at a fixed rate of 5.50% per year in equal semi-annual installments on January 15 and July 15 of each year until July 15, 2027, beginning on January 15, 2018.</p> <p>After July 15, 2027, we will pay interest on the Notes on every October 15, January 15, April 15 and July 15 of each year during which the Notes are outstanding until July 15, 2077 (each such semi-annual or quarterly date, as applicable, an "Interest Payment Date").</p> <p>From the issue date of the Notes to, but excluding, July 15, 2027, the interest rate on the Notes will be fixed at 5.50% per annum, payable in arrears. Starting on July 15, 2027, and on every October 15, January 15, April 15 and July 15 of each year during which the Notes are outstanding thereafter until July 15, 2077 (each such date, an "Interest Reset Date"), the interest rate on the Notes will be reset as follows:</p> <p>(i) starting on July 15, 2027, on every Interest Reset Date, until July 15, 2047, the interest rate on the Notes will be reset at an interest rate per annum equal to the three month LIBOR plus 3.418%, payable in arrears, with the first payment at such rate being on October 15, 2027; and</p> <p>(ii) starting on July 15, 2047, on every Interest Reset Date, until July 15, 2077, the interest rate on the Notes will be reset at an interest rate per annum equal to the three month LIBOR plus 4.168%, payable in arrears, with the first payment at such rate being on October 15, 2047.</p>

Table of Contents

**Deferral Right**

So long as no event of default has occurred and is continuing, we may elect, at our sole option, at any date other than an Interest Payment Date (a "Deferral Date") to defer the interest payable on the Notes on one or more occasions for up to five consecutive years (a "Deferral Period"). There is no limit on the number of Deferral Periods that may occur. Such deferral will not constitute an event of default or any other breach under the indenture governing the Notes. Deferred interest will accrue, compounding on each subsequent Interest Payment Date, until paid. A Deferral Period terminates on any Interest Payment Date where we pay all accrued and unpaid interest on such date. No Deferral Period may extend beyond the Maturity Date.

**Dividend Stopper Undertaking**

Unless we have paid all accrued and payable interest on the Notes, subject to certain exceptions, we will not (i) declare any dividends on our preference shares and Common Shares (the "Dividend Restricted Shares") or pay any interest on any class or series of our indebtedness currently outstanding or hereafter created which ranks on a parity with the Notes as to distributions upon liquidation, dissolution or winding-up (the "Parity Notes"), (ii) redeem, purchase or otherwise retire any Dividend Restricted Shares or Parity Notes, or (iii) make any payment to holders of any of the Dividend Restricted Shares or any of the Parity Notes in respect of dividends not declared or paid on such Dividend Restricted Shares or interest not paid on such Parity Notes, respectively (the "Dividend Stopper Undertaking").

It is in our interest to ensure that interest on the Notes is timely paid so as to avoid triggering the Dividend Stopper Undertaking. See "Description of the Notes – Dividend Stopper Undertaking" and "Risk Factors."

Table of Contents

**Automatic Conversion**

The Notes, including accrued and unpaid interest thereon, will be converted automatically ("Automatic Conversion"), without the consent of the Noteholders, into shares of a newly issued series of our preference shares, designated as Preference Shares, Series 2017-A (the "Conversion Preference Shares") upon the occurrence of: (i) the making by Enbridge of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies' Creditors Arrangement Act* (Canada), (ii) any proceeding instituted by Enbridge seeking to adjudicate it a bankrupt or insolvent, or, where Enbridge is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for Enbridge or any substantial part of its property and assets in circumstances where Enbridge is adjudged a bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over Enbridge or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where Enbridge is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada; or (iv) any proceeding is instituted against Enbridge seeking to adjudicate it a bankrupt or insolvent or, where Enbridge is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for Enbridge or any substantial part of its property and assets in circumstances where Enbridge is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within sixty (60) days of the institution of any such proceeding or the actions sought in such proceedings occur, including the entry of an order for relief against Enbridge or the appointment of a receiver, interim receiver, trustee, or other similar official for it or for any substantial part of its property and assets (each, an "Automatic Conversion Event").

Table of Contents

The Automatic Conversion shall occur upon an Automatic Conversion Event (the "Conversion Time"). At the Conversion Time, the Notes shall be automatically converted, without the consent of the Noteholders, into a newly issued series of fully-paid Conversion Preference Shares. At such time, the Notes shall be deemed to be immediately and automatically surrendered and cancelled without need for further action by the Noteholders, who shall thereupon automatically cease to be holders thereof and all rights of any such Noteholder as a debtholder of Enbridge shall automatically cease. At the Conversion Time, Noteholders will receive one Conversion Preference Share for each US\$1,000 principal amount of Notes held immediately prior to the Automatic Conversion together with the number of Conversion Preference Shares (including fractional shares, if applicable) calculated by dividing the amount of accrued and unpaid interest, if any, on the Notes by US\$1,000.

Upon an Automatic Conversion of the Notes, Enbridge reserves the right not to issue some or all, as applicable, of the Conversion Preference Shares to any person whose address is in, or whom Enbridge or its transfer agent has reason to believe is a resident of, any jurisdiction outside of Canada and the United States to the extent that: (i) the issuance or delivery by Enbridge to such person, upon an Automatic Conversion of Conversion Preference Shares, would require Enbridge to take any action to comply with securities or analogous laws of such jurisdiction, or (ii) withholding tax would be applicable in connection with the delivery to such person of Conversion Preference Shares upon an Automatic Conversion ("Ineligible Persons"). In such circumstances, Enbridge will hold all Conversion Preference Shares that would otherwise be delivered to Ineligible Persons, as agent for Ineligible Persons, and will attempt to facilitate the sale of such Conversion Preference Shares through a registered dealer retained by Enbridge for the purpose of effecting the sale (to parties other than Enbridge, its affiliates or other Ineligible Persons) on behalf of such Ineligible Persons of such Conversion Preference Shares.

As the events that give rise to an Automatic Conversion are bankruptcy and related events, it is in the interest of Enbridge to ensure that an Automatic Conversion does not occur, although the events that could give rise to an Automatic Conversion may be beyond our control. See "Description of the Notes Automatic Conversion," "Description of Conversion Preference Shares" and "Risk Factors."

On or after July 15, 2027, we may, at our option, on giving not more than 60 nor less than 30 days' notice to the Noteholders, redeem the Notes, in whole at any time or in part from time to time on any Interest Payment Date. The redemption price per US\$1,000 principal amount of Notes redeemed on any Interest Payment Date will be 100% of the principal amount thereof, together with accrued and unpaid interest to, but excluding, the date fixed for redemption. Notes that are redeemed shall be cancelled and shall not be reissued. See "Description of the Notes Redemption Right."

**Redemption Right**

Table of Contents

**Redemption on Tax Event or Rating Event**

Prior to the initial Interest Reset Date and within 90 days of a Tax Event, we may, at our option, redeem all (but not less than all) of the Notes at a redemption price per US\$1,000 principal amount of such Notes equal to 100% of the principal amount thereof, together with accrued and unpaid interest to but excluding the date fixed for redemption. See "Description of the Notes Redemption on Tax Event or Rating Event."

Prior to the initial Interest Reset Date and within 90 days of a Rating Event, we may, at our option, redeem all (but not less than all) of the Notes at a redemption price per US\$1,000 principal amount of the Notes equal to 102% of the principal amount thereof, together with accrued and unpaid interest to but excluding the date fixed for redemption. See "Description of the Notes Redemption on Tax Event or Rating Event."

**Additional Covenants**

In addition to the Dividend Stopper Undertaking, we will covenant for the benefit of the Noteholders that we will not create or issue any preference shares which, in the event of insolvency or winding-up of the Corporation, would rank in right of payment in priority to the Conversion Preference Shares.

**Subordination**

The Notes will be our direct unsecured subordinated obligations. The payment of principal and interest on the Notes will be subordinated in right of payment to the prior payment in full of all present and future Senior Indebtedness, and will be effectively subordinated to all indebtedness and obligations of our subsidiaries.

"Senior Indebtedness" means obligations (other than non-recourse obligations, the Notes or any other obligations specifically designated as being subordinate in right of payment to such obligations) of, or guaranteed or assumed by, the Corporation for borrowed money or evidenced by bonds, debentures or notes or obligations of the Corporation for or in respect of bankers' acceptances (including the face amount thereof), letters of credit and letters of guarantee (including all reimbursement obligations in respect of each of the forgoing) or other similar instruments, and amendments, renewals, extensions, modifications and refunding of any such indebtedness or obligation.

Table of Contents

**Payment of Additional Amounts**

All payments made by or on account of any obligation of the Corporation under or with respect to the Notes shall be made free and clear of and without withholding or deduction for, or on account of, any present, or future tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and other liabilities related thereto) imposed or levied by or on behalf of the Government of Canada or any province or territory thereof or by any authority or agency therein or thereof having power to tax ("Canadian Taxes"), unless the Corporation is required to withhold or deduct Canadian Taxes by law or by the interpretation or administration thereof by the relevant government authority or agency. If the Corporation is so required to withhold or deduct any amount for or on account of Canadian Taxes from any payment made under or with respect to the Notes, the Corporation shall pay as additional interest such additional amounts as may be necessary so that the net amount received by each Noteholder after such withholding or deduction shall not be less than the amount such Noteholder would have received if such Canadian Taxes had not been withheld or deducted, subject to certain exceptions. See "Description of the Notes – Payment of Additional Amounts." No additional amounts will be paid by the Corporation on dividends paid or deemed to be paid on the Conversion Preference Shares.

**Conflicts of Interest**

We may have outstanding existing indebtedness owing to certain of the underwriters and affiliates of such underwriters, a portion of which we may repay with the net proceeds from this offering. See "Use of Proceeds." As a result, one or more of such underwriters or their affiliates may receive more than 5% of the net proceeds from this offering in the form of repayment of such existing indebtedness. Accordingly, this offering is being made pursuant to Rule 5121 of the Financial Industry Regulatory Authority, Inc. Pursuant to this rule, the appointment of a qualified independent underwriter is not necessary in connection with this offering, because the conditions of Rule 5121(a)(1)(C) are satisfied.

**Form**

The Notes will be represented by fully registered global Notes deposited in book-entry form with, or on behalf of, The Depository Trust Company, and registered in the name of its nominee. See "Description of the Notes – Book-Entry System" in this prospectus supplement. Except as described under "Description of the Notes" in this prospectus supplement and "Description of Debt Securities" in the accompanying prospectus, Notes in certificated form will not be issued.

**Governing Law**

The Notes and the indenture governing the Notes will be governed by the laws of the State of New York, except for the subordination provisions in Article 7 of the third supplemental indenture to the indenture governing the Notes, which will be governed by the laws of the Province of Alberta.

**Conversion Preference Shares**

The Conversion Preference Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the board of directors of Enbridge, subject to the *Canada Business Corporations*



Table of Contents

*Act* at the same rate as the interest rate that would have accrued on the Notes (had the Notes remained outstanding) as described under "Description of the Notes - Interest and Maturity") (the "Perpetual Preference Share Rate"), payable on each semi-annual or quarterly dividend payment date, as the case may be, subject to any applicable withholding tax. See "Description of Conversion Preference Shares."

Table of Contents

**RISK FACTORS**

*You should consider carefully the following risks and other information contained in and incorporated by reference into this prospectus supplement and the accompanying prospectus before deciding to invest in the Notes. The following risks and uncertainties could materially and adversely affect our financial condition and results of operations. In that event, the value of our securities, including the Notes and the Conversion Preference Shares, or our ability to meet our obligations under the Notes or the Conversion Preference Shares, may be adversely affected.*

**Risks Related to the Notes**

***We are a holding company and as a result are dependent on our subsidiaries to generate sufficient cash and distribute cash to us to service our indebtedness, including the Notes.***

Our ability to make payments on our indebtedness, fund our ongoing operations and invest in capital expenditures and any acquisitions will depend on our subsidiaries' ability to generate cash in the future and distribute that cash to us. It is possible that our subsidiaries may not generate cash from operations in an amount sufficient to enable us to service our indebtedness, including the Notes. The Notes are U.S. dollar-denominated obligations and a substantial portion of our subsidiaries' revenues are denominated in Canadian dollars. Fluctuations in the exchange rate between the U.S. and Canadian dollar may adversely affect our ability to service or refinance our U.S. dollar-denominated indebtedness, including the Notes.

***Noteholders will only have rights as an equity holder in the event of insolvency.***

In the event of the occurrence of the Automatic Conversion, with the result that the Noteholders receive Conversion Preference Shares on conversion of such Notes, the only claim or entitlement of each Noteholder will be in its capacity as a shareholder of the Corporation. See "Description of Notes Automatic Conversion" and "Risks Related to an Investment in Conversion Preference Shares Insolvency or Winding-Up."

***The Notes are subordinated in right of payment to all of our current and future senior indebtedness and structurally subordinated to the indebtedness of our subsidiaries.***

Our obligations under the Notes will be subordinated in right of payment to all of our current and future obligations (other than non-recourse obligations, the Notes or any other obligations specifically designated as being subordinate in right of payment to such obligations) of, or guaranteed or assumed by, the Corporation for borrowed money or evidenced by bonds, debentures or notes or obligations of the Corporation for or in respect of bankers' acceptances (including the face amount thereof), letters of credit and letters of guarantee (including all reimbursement obligations in respect of each of the foregoing) or other similar instruments, and amendments, renewals, extensions, modifications and refunding of any such indebtedness or obligation ("Senior Indebtedness"). This means that we will not be permitted to make any payments on the Notes if we default on a payment of principal of, premium, if any, or interest on any such Senior Indebtedness or there shall occur an event of default under such Senior Indebtedness and we do not cure the default within the applicable grace period, if the holders of the Senior Indebtedness have the right to accelerate the maturity of such indebtedness or if the terms of such Senior Indebtedness otherwise restrict us from making payments to junior creditors. See "Description of the Notes Subordination." Our Senior Indebtedness as of July 7, 2017 was approximately \$64,744 million.

In addition to the contractual subordination described above, the Notes are not guaranteed by our subsidiaries (including partnerships and joint ventures through which we conduct business) and are thus structurally subordinated to all of the debt of these subsidiaries, partnerships and joint ventures. The Corporation's interests in its subsidiaries and the partnerships and joint ventures through which it conducts business generally consist of equity interests, which are residual claims on the assets of those entities after their creditors are satisfied. As at March 31, 2017, the long-term debt (excluding current portion, as well as

Table of Contents

guarantees and intercompany obligations between the Corporation and its subsidiaries) of the Corporation's subsidiaries totaled approximately \$60,736 million.

The indenture governing the Notes restricts our ability to incur liens, but places no such restriction on our subsidiaries or the partnerships and joint ventures through which we conduct business. Holders of parent company indebtedness that is secured by parent company assets will have a claim on the assets securing the indebtedness that is prior in right of payment to our general unsecured creditors, including you as a Noteholder. The indenture governing the Notes permits us to incur additional liens as described under "Description of Debt Securities Covenants Limitation on Security Interests" in the accompanying prospectus.

Furthermore, in the event of an insolvency or liquidation of the Corporation, the claims of creditors of the Corporation would be entitled to a priority payment over the claims of holders of equity interests of the Corporation, such as the Conversion Preference Shares. See "Risks Related to the Notes Rights only as an Equity Holder in the Event of Insolvency" and "Risks Related to an Investment in Conversion Preference Shares Insolvency or Winding-up."

***We may redeem the Notes before they mature.***

The Corporation may redeem the Notes in the circumstances described under "Description of the Notes Redemption Right" and "Redemption on Tax Event or Rating Event." These redemption rights may, depending on prevailing market conditions at the time, create reinvestment risk for the Noteholders in that they may be unable to find a suitable replacement investment with a comparable return to the Notes.

***We may defer interest payments on the Notes at our sole option.***

So long as no event of default has occurred and is continuing, subject to certain exceptions, we may elect, at our sole option, to defer the interest payable on the Notes on one or more occasions for up to five consecutive years as described under "Description of the Notes Deferral Rights." There is no limit on the number of Deferral Periods that may occur. Such deferral will not constitute an event of default or any other breach under the Notes and the indenture governing the Notes.

***The tax treatment of the Notes for U.S. federal income tax purposes is uncertain.***

There is no authority that addresses the tax treatment of an instrument, such as the Notes, that is denominated as a debt instrument but that provides for an Automatic Conversion into Conversion Preference Shares. It is therefore unclear whether the Notes should be treated as equity or debt of Enbridge for U.S. federal income tax purposes. We believe, however, that the Notes should be treated as equity of Enbridge for U.S. federal income tax purposes, and the terms of the Notes require a U.S. holder (as defined below) and Enbridge (in the absence of a statutory, regulatory, administrative or judicial ruling to the contrary) to treat the Notes for U.S. federal income tax purposes in accordance with such characterization. However, because there is no authority that specifically addresses the tax treatment of the Notes, it is possible that the Notes could be treated as debt of Enbridge for U.S. federal income tax purposes, in which case you may be subject to adverse tax consequences, as discussed in "Material Income Tax Considerations Material United States Federal Income Tax Considerations Alternative Treatments."

**Risks Related to the Conversion Preference Shares**

***There is currently no market for the Conversion Preference Shares.***

There is currently no market through which the Conversion Preference Shares may be sold and purchasers of Notes that are subsequently converted into Conversion Preference Shares may not be able to

Table of Contents

resell the Conversion Preference Shares. The price offered to the public for the Notes and the principal amount of Notes to be issued have been determined by negotiations among the Corporation and the Underwriters. The price paid for each Note may bear no relationship to the price at which the Conversion Preference Shares issuable on conversion of the Notes may trade subsequent to this offering. The Corporation cannot predict at what price the Conversion Preference Shares may trade and there can be no assurance that an active trading market will develop for the Conversion Preference Shares or, if developed, that such market will be sustained. The Corporation is under no obligation to list the Conversion Preference Shares on any stock exchange or other market.

***The right of holders of Conversion Preference Shares to receive dividends is subject to the discretion of the Corporation's board of directors.***

Holders of Conversion Preference Shares will not have a right to dividends on such shares unless declared by the Corporation's board of directors. The declaration of dividends is in the discretion of the board of directors even if the Corporation has sufficient funds, net of its liabilities, to pay such dividends. Provisions of various trust indentures and credit arrangements to which the Corporation is a party restrict the Corporation's ability to declare and pay dividends under certain circumstances and, if such restrictions apply, they may, in turn, have an impact on the Corporation's ability to declare and pay dividends on the Conversion Preference Shares. In addition, the Corporation may not declare or pay a dividend if there are reasonable grounds for believing that: (i) the Corporation is, or would after the payment be, unable to pay its liabilities as they become due, or (ii) the realizable value of the Corporation's assets would thereby be less than the aggregate of its liabilities and stated capital of its outstanding shares. Liabilities of the Corporation will include those arising in the course of its business, indebtedness, including inter-company debt, and amounts, if any, that are owing by the Corporation under guarantees in respect of which a demand for payment has been made. In addition, a dividend (including a deemed dividend) received on Conversion Preference Shares may be subject to Canadian non-resident withholding tax and, if any such dividends are so subject, no additional amounts will be payable to holders of Conversion Preference Shares in respect of such withholding tax. See "Certain Canadian Federal Income Tax Considerations Conversion Preference Shares Dividends."

***Credit ratings applied to the Notes and the Conversion Preference Shares may affect the market price or value and the liquidity of the Conversion Preference Shares.***

The credit ratings applied to the Notes and the Conversion Preference Shares issuable on conversion of the Notes are an assessment by Moody's Investors Service, Inc. ("Moody's"), Standard & Poor's Ratings Services ("S&P"), DBRS Limited ("DBRS") and Fitch Ratings, Inc. ("Fitch") of the Corporation's ability to pay its obligations. The credit ratings are based on certain assumptions about the future performance and capital structure of the Corporation that may or may not reflect the actual performance or capital structure of the Corporation. Changes in credit ratings of the Notes and the Conversion Preference Shares issuable on conversion of the Notes may affect the market price or value and the liquidity of the Conversion Preference Shares. There is no assurance that any credit rating assigned to the Notes or the Conversion Preference Shares will remain in effect for any given period of time or that any rating will not be lowered or withdrawn entirely by the relevant rating agency.

***The Conversion Preference Shares will be treated as equity in the event of an insolvency or winding-up of the Corporation.***

The Conversion Preference Shares are equity capital of the Corporation which rank equally with the Corporation's other preference shares, if any, in the event of an insolvency or winding-up of the Corporation. If the Corporation becomes insolvent or is wound up, the Corporation's assets must be used to pay debt and other liabilities before payments may be made on the Conversion Preference Shares and other preference shares, if any.

Table of Contents

***The Conversion Preference Shares do not have a fixed maturity date.***

The Conversion Preference Shares do not have a fixed maturity date and are not redeemable at the option of the holders of Conversion Preference Shares. The ability of a holder to liquidate its holdings of Conversion Preference Shares may be limited.

***The Corporation may choose to redeem the Conversion Preference Shares from time to time.***

The Corporation may choose to redeem the Conversion Preference Shares from time to time, in accordance with its rights described under "Description of Conversion Preference Shares – Redemption of Conversion Preference Shares." The amount payable upon redemption may be subject to withholding tax. In addition, if prevailing interest rates are lower at the time of redemption, a purchaser would not be able to reinvest the redemption proceeds in a comparable security at an effective yield as high as the yield on the Conversion Preference Shares being redeemed. The Corporation's redemption right also may adversely impact a purchaser's ability to sell Conversion Preference Shares.

***No additional amounts will be paid on dividends on the Conversion Preference Shares.***

No additional amounts will be paid by the Corporation on dividends paid or deemed to be paid on the Conversion Preference Shares.

***Holders of Conversion Preference Shares will have limited voting rights.***

Holders of Conversion Preference Shares will not be entitled to receive notice of or to attend or vote at meetings of the shareholders of the Corporation, except as required by law. See "Description of Conversion Preference Shares – Voting Rights."

**Risks Related to our Business**

You should carefully consider the risks identified and discussed in the management's discussion and analysis of financial condition and results of operation for the year ended December 31, 2016, which is incorporated herein by reference (the page references below are to the management's discussion and analysis of financial condition and results of operation for the year ended December 31, 2016 filed with the SEC (filed on Form 6-K with the SEC on April 6, 2017) at [www.sec.gov](http://www.sec.gov)):

Liquids Pipelines – Business Risks (pages 63 to 65); Gas Distribution – Business Risks (pages 68 to 69); Gas Pipelines & Processing (including Aux Sable – Business Risks (page 73); Alliance Pipeline – Business Risks (pages 74 to 75); Vector Pipeline – Business Risks (page 76); Canadian Midstream – Business Risks (page 77); Enbridge Offshore Pipelines – Business Risks (page 78); US Midstream – Business Risks (page 79)); Green Power and Transmission – Business Risks (page 82); Energy Services – Business Risks (page 83); Risk Management and Financial Instruments (pages 97 to 99); and General Business Risks (pages 99 to 102).

**Risks Related to the Merger Transaction and Integration of Spectra Energy's Business**

You should carefully consider the risks relating to the Merger Transaction and Spectra Energy's business identified and discussed in:

- (1) the management's discussion and analysis of financial condition and results of operation for the year ended December 31, 2016, which is incorporated herein by reference (the page references below are to the management's discussion and analysis of financial condition and results of operation for the year ended December 31, 2016 filed with the SEC (filed on Form 6-K with the SEC on April 6, 2017) at [www.sec.gov](http://www.sec.gov)):

General Business Risks – Strategic and Commercial Risks (pages 99 to 101);

Table of Contents

(2) the management's discussion and analysis of financial condition and results of operations for the three month period ended March 31, 2017, which is incorporated herein by reference (the page references below are to the management's discussion and analysis of financial condition and results of operations for the three month period ended March 31, 2017 filed with the SEC (filed on Form 6-K with the SEC on May 11, 2017) at [www.sec.gov](http://www.sec.gov)):

US Gas Transmission Business Risks (pages 22 to 23); and Canadian Midstream Business Risks (page 24); and

(3) the Transaction Circular, which is incorporated herein by reference (the page references below are to the Transaction Circular filed with the SEC (filed on Form 6-K with the SEC on November 15, 2016) at [www.sec.gov](http://www.sec.gov)):

Risk Factors Risks Relating to the Merger The combined company may not realize all of the anticipated benefits of the Merger (pages 32 to 33); Risk Factors Risks Relating to the Merger Significant demands will be placed on Enbridge as a result of the Merger (page 34); Risk Factors Risks Relating to the Merger Additional capital requirements (page 34); Risk Factors Risks Relating to the Merger The credit rating of the combined company will be subject to ongoing evaluation (page 34); Risk Factors Risks Relating to the Merger The unaudited pro forma condensed consolidated financial information of Spectra Energy and Enbridge is presented for illustrative purposes only and may not be indicative of the results of operations or financial condition of the combined company following the merger (pages 34 to 35); Risk Factors Risks Relating to the Merger Future changes to Canadian, U.S. and foreign tax laws could adversely affect the combined company (page 36); and Risk Factors Risks Relating to Spectra Energy's Business (page 38).

Table of Contents**CONSOLIDATED CAPITALIZATION**

The following table summarizes our consolidated capitalization as of March 31, 2017 on an actual basis and on an as adjusted basis to give effect to the issuance and sale of the Notes offered by this prospectus supplement. You should read this table together with our unaudited consolidated financial statements for the three months ended March 31, 2017 and the unaudited pro forma condensed consolidated financial statements, which are incorporated by reference in this prospectus supplement and the accompanying prospectus. All U.S. dollar amounts in the following table have been converted to Canadian dollars using the exchange rate on March 31, 2017 of US\$0.7506 per \$1.00.

	<b>As of March 31, 2017</b>	
	<b>Actual</b>	<b>As Adjusted for the Notes<sup>(3)</sup></b>
	<b>(millions of dollars)</b>	
Long-term debt (excluding current portion) <sup>(1)</sup>	\$ 60,736 <sup>(2)</sup>	\$ 60,736
Notes offered hereby (US\$1,000,000,000)		1,332
<b>Total long-term debt</b>	<b>60,736</b>	<b>62,068</b>
Shareholders' equity:		
Preference shares	7,255	7,255
Common shares	48,147	48,147
Additional paid-in capital	3,426	3,426
Retained deficit	(426)	(426)
Accumulated other comprehensive income	1,438	1,438
Reciprocal shareholding	(102)	(102)
<b>Total Enbridge Inc. shareholders' equity</b>	<b>59,738</b>	<b>59,738</b>
<b>Total capitalization</b>	<b>\$ 120,474</b>	<b>\$ 121,806</b>

(1) As at March 31, 2017, long-term debt included \$13,015 million of outstanding commercial paper borrowings and credit facility draws.

(2) Does not reflect (i) the issuance by the Corporation of \$750,000,000 aggregate principal amount of floating rate notes on May 24, 2017, \$1,200,000,000 aggregate principal amount of medium term notes on June 8, 2017, US\$500,000,000 aggregate principal amount of floating rate notes on June 15, 2017 and US\$1,400,000,000 aggregate principal amount of medium term notes on July 7, 2017, (ii) the issuance by Spectra Energy Partners, LP of US\$400,000,000 aggregate principal amount of floating rate notes on June 7, 2017, (iii) the cash tender offer by Spectra Energy Capital, LLC for US\$267,279,000 of its senior unsecured notes, which settled on July 7, 2017, or (iv) the decrease in the Corporation's commercial paper, letters of credit and credit facility draws by approximately \$956 million, which occurred subsequent to March 31, 2017.

(3) The "as adjusted" column does not account for the purchase of any notes by Spectra Energy Capital, LLC pursuant to its tender offer to purchase up to US\$600,000,000 in aggregate principal amount of its senior unsecured notes, subject to the terms and conditions specified in its offer to purchase related to such tender offer. In the event US\$600,000,000 in aggregate principal amount of notes is purchased in such tender offer, our total long-term debt would be reduced by US\$600,000,000.

Table of Contents

**USE OF PROCEEDS**

We estimate that the net proceeds of this offering of the Notes, after deducting underwriting commissions and the estimated expenses of this offering, will be approximately US\$989,700,000. We intend to use the net proceeds from this offering to partially fund capital projects, to reduce existing indebtedness and for other general corporate purposes of the Corporation and its affiliates. The Corporation may invest funds that it does not immediately require in short term marketable debt securities.

S-19

---



Table of Contents

**EARNINGS COVERAGE RATIOS**

The following earnings coverage ratios for the Corporation have been calculated on a consolidated basis for the respective 12 month periods ended March 31, 2017 and December 31, 2016 and are derived from unaudited financial information for the 12 month period ended March 31, 2017 and audited financial information for the 12 month period ended December 31, 2016, in each case prepared in accordance with U.S. GAAP.

A third earnings coverage ratio has been included that gives pro forma effect to the Merger Transaction on the same basis as in the Corporation's unaudited pro forma condensed consolidated statement of earnings for the year ended December 31, 2016 included in the BAR.

The following ratios give pro forma effect to the issuance by the Corporation from time to time of preference shares and debt securities since March 31, 2017 and December 31, 2016, in the case of the March 31, 2017 and December 31, 2016 earnings coverage ratios, including:

the issuance by the Corporation of \$750,000,000 aggregate principal amount of unsecured floating rate notes pursuant to a first pricing supplement dated May 19, 2017, the issuance by the Corporation of \$450,000,000 aggregate principal amount of 3.19% unsecured medium term notes pursuant to a second pricing supplement dated June 6, 2017, the issuance by the Corporation of \$450,000,000 aggregate principal amount of 3.20% unsecured medium term notes pursuant to a third pricing supplement dated June 6, 2017, the issuance by the Corporation of \$300,000,000 aggregate principal amount of 4.57% unsecured medium term notes pursuant to a fourth pricing supplement dated June 6, 2017, the issuance by the Corporation of US\$500,000,000 aggregate principal amount of unsecured floating rate notes pursuant to a prospectus supplement dated June 12, 2017 and the issuance by the Corporation of US\$1,400,000,000 aggregate principal amount of unsecured medium term notes pursuant to a prospectus supplement dated June 27, 2017;

the issuance by Spectra Energy Partners, LP of US\$400,000,000 aggregate principal amount of senior unsecured floating rate notes pursuant to a prospectus supplement dated June 2, 2017; and

the cash tender offer by Spectra Energy Capital, LLC for US\$267,279,000 of its senior unsecured notes, which settled on July 7, 2017.

Adjustments for normal course issuances and repayments of debt subsequent to March 31, 2017 and December 31, 2016 would not materially affect the ratios and, as a result, have not been made. The earnings coverage ratios set forth below do not purport to be indicative of earnings coverage ratios for any future periods and do not give pro forma effect to the issuance of any Notes pursuant to this prospectus supplement.

	Twelve Month Period Ended		
	March 31, 2017	December 31, 2016	Giving pro forma effect to the Merger Transaction December 31, 2016
Earnings coverage <sup>(1)</sup>	1.3 times	1.7 times	1.9 times

Note:

- (1) Earnings coverage on a net earnings basis is equal to earnings attributable to the Corporation plus net interest expense and income taxes divided by net interest expense plus capitalized interest and preference share dividend obligations.

The Corporation evaluates its performance using a variety of measures. The earnings coverage discussed above is not defined under U.S. GAAP and, therefore, should not be considered in isolation or as an alternative to, or more meaningful than, net earnings as determined in accordance with U.S. GAAP

Table of Contents

as an indicator of the Corporation's financial performance or liquidity. This measure is not necessarily comparable to a similarly titled measure of another company.

The Corporation's dividend requirements on all of its preference shares adjusted to a before tax equivalent using an effective income tax recovery rate of 4% at March 31, 2017, amounted to approximately \$292 million for the 12 months ended March 31, 2017. The Corporation's interest requirements amounted to approximately \$2,178 million for the 12 months ended March 31, 2017. The Corporation's earnings before interest and income tax for the 12 months ended March 31, 2017 were approximately \$3,155 million, which is 1.3 times the Corporation's aggregate dividend and interest requirements for this period. The effective income tax recovery rate of 4% for the year ended March 31, 2017 was unusually low because of the tax effect of certain permanent items that are not associated with the current year earnings, relative to the consolidated earnings. For comparability, if the 2016 effective income tax expense rate was used instead of the 2017 effective income tax recovery rate, the Corporation's dividend requirements for the 12 months ended March 31, 2017 would have been approximately \$324 million and the earnings coverage ratio would remain at 1.3 times the Corporation's aggregate dividend and interest requirements for this period.

The Corporation's dividend requirements on all of its preference shares, adjusted to a before tax equivalent using an effective income tax expense rate of 6% at December 31, 2016, amounted to approximately \$313 million for the 12 months ended December 31, 2016. The Corporation's interest requirements amounted to approximately \$1,977 million for the 12 months ended December 31, 2016. The Corporation's earnings before interest and income taxes for the 12 months ended December 31, 2016 were approximately \$3,780 million, which is 1.7 times the Corporation's aggregate dividend and interest requirements for this period.

The Corporation's dividend requirements on all of its preference shares, adjusted to a before tax equivalent using a pro forma effective income tax expense rate of 11% at December 31, 2016, amounted to approximately \$332 million for the 12 months ended December 31, 2016. The Corporation's interest requirements, including giving pro forma effect to the Merger Transaction, amounted to approximately \$2,703 million for the 12 months ended December 31, 2016. The Corporation's earnings before interest and income taxes, including giving pro forma effect to the Merger Transaction, for the 12 months ended December 31, 2016 were approximately \$5,772 million, which is 1.9 times the Corporation's aggregate pro forma dividend and interest requirements for this period.

Table of Contents

**DESCRIPTION OF THE NOTES**

The following description of the terms of the Notes supplements, and to the extent inconsistent therewith supersedes, the description of the general terms and provisions of debt securities under the heading "Description of Debt Securities" in the accompanying prospectus, and should be read in conjunction with that description. In this section, the terms "Corporation," "Enbridge," "we," "us" or "our" refer only to Enbridge Inc. and not to its subsidiaries.

The Notes will be issued under an indenture (as amended and supplemented from time to time, the "Indenture"), dated as of February 25, 2005, between the Corporation and Deutsche Bank Trust Company Americas, as Trustee. The Trustee will initially serve as paying agent for the Notes. The following summary of certain provisions of the Indenture and the Notes does not purport to be complete and is qualified in its entirety by reference to the actual provisions of the Indenture.

The Trustee under the Indenture is referred to in this section as the "Trustee," which term shall include, unless the context otherwise requires, its successors and assigns. Capitalized terms used but not defined in this section shall have the meanings given to them in the Indenture.

For information concerning the Conversion Preference Shares into which the Notes are, in certain circumstances, convertible as described under "Automatic Conversion" below, see "Description of Conversion Preference Shares."

**Interest and Maturity**

We will pay interest on the Notes at a fixed rate of 5.50% per year in equal semi-annual installments on January 15 and July 15 of each year until July 15, 2027, beginning on January 15, 2018.

After July 15, 2027, we will pay interest on the Notes on every October 15, January 15, April 15 and July 15 of each year during which the Notes are outstanding thereafter until July 15, 2077 (each such semi-annual or quarterly date, as applicable, an "Interest Payment Date").

From the issue date of the Notes to, but excluding, July 15, 2027, the interest rate on the Notes will be fixed at 5.50% per annum, payable in arrears. Starting on July 15, 2027, and on every October 15, January 15, April 15 and July 15 of each year during which the Notes are outstanding thereafter until July 15, 2077 (each such date, an "Interest Reset Date"), the interest rate on the Notes will be reset as follows:

Starting on July 15, 2027, on every Interest Reset Date, until July 15, 2047, the interest rate on the Notes will be reset at an interest rate per annum equal to the three month LIBOR plus 3.418%, payable in arrears, with the first payment at such rate being on October 15, 2027; and

Starting on July 15, 2047, on every Interest Reset Date, until July 15, 2077, the interest rate on the Notes will be reset at an interest rate per annum equal to the three month LIBOR plus 4.168%, payable in arrears, with the first payment at such rate being on October 15, 2047.

The Notes will mature on July 15, 2077 (the "Maturity Date").

Interest for each interest period from the issue date of the Notes to, but excluding, July 15, 2027, will be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest for each interest period from July 15, 2027 to July 15, 2077 will be calculated on the basis of the actual number of days elapsed during each such interest period and a 360-day year. For the purposes of disclosure under the *Interest Act* (Canada), and without affecting the interest payable on the Notes, whenever the interest rate on the Notes is to be calculated on the basis of a period of less than a calendar year, the yearly interest rate equivalent for such interest rate will be the interest rate multiplied by the actual number of days in the relevant calendar year and divided by the number of days used in calculating the specified interest rate.

Table of Contents

Interest payments will be made to the persons or entities in whose names the Notes are registered at (i) the close of business on January 1 and July 1 (in each case, whether or not a business day), as the case may be, immediately preceding the relevant fixed-rate Interest Payment Date, and (ii) the close of business on October 1, January 1, April 1 and July 1 (in each case, whether or not a business day), as the case may be, immediately preceding the relevant floating-rate Interest Payment Date.

For the period from the issue date of the Notes to July 15, 2027, if an Interest Payment Date falls on a day that is not a business day, the Interest Payment Date will be postponed to the next business day, and no further interest will accrue in respect of such postponement.

For the period from (but excluding) July 15, 2027 to July 15, 2077, if an Interest Payment Date, other than a redemption date or the Maturity Date, falls on a day that is not a business day, the Interest Payment Date will be postponed to the next day that is a business day, except that if that business day is in the next succeeding calendar month, the Interest Payment Date will be the immediately preceding business day. Also, if a redemption date or the Maturity Date of the Notes falls on a day that is not a business day, the payment of interest and principal will be made on the next succeeding business day and no interest on such payment will accrue for the period from and after the redemption date or the Maturity Date, if applicable.

"LIBOR" means, for any interest period in respect of Notes, the rate for U.S. dollar borrowings appearing on page LIBOR01 of the Reuters Service (or on any successor or substitute page of such Service, or any successor to or substitute for such Service providing rate quotations comparable to those currently provided on such page of such Service, as determined by Enbridge from time to time for purposes of providing quotations of interest rates applicable to U.S. dollar deposits in the London interbank market) at approximately 11:00 a.m., London, time, two business days prior to the commencement of such interest period, as the rate for U.S. dollar deposits with a maturity comparable to such interest period. In the event that such rate is not available at such time for any reason, the "LIBOR" for such interest period shall be the rate at which U.S. dollar deposits of US\$5,000,000 and for a maturity comparable to such interest period are offered by the principal London office of an agent selected by Enbridge in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two business days prior to the commencement of such interest period.

**Specified Denominations**

The Notes will be issued only in minimum denominations of US\$2,000 and integral multiples of US\$1,000 in excess thereof.

**The Trustee**

Deutsche Bank Trust Company Americas (the "Trustee") is the Trustee under the Indenture governing the Notes. The Trustee is an affiliate of Deutsche Bank Securities Inc., an underwriter of the Notes. Under the Trust Indenture Act of 1939, as amended, due to this affiliation, if a default occurred on the Notes, Deutsche Bank Trust Company Americas would be required to resign as Trustee within 90 days of the default unless the default were cured, duly waived or otherwise eliminated. An affiliate of the Trustee is a lender under certain of the credit facilities of the Corporation and its subsidiaries described under "Underwriting" in this prospectus supplement, and affiliates of the Trustee may have further commercial banking, advisory and other relationships with the Corporation and its subsidiaries.

**Deferral Right**

So long as no event of default has occurred and is continuing, we may elect, in our sole option, at any date other than an Interest Payment Date (a "Deferral Date"), to defer the interest payable on the Notes on one or more occasions for up to five consecutive years (a "Deferral Period"). There is no limit on the number of Deferral Periods that may occur. Such deferral will not constitute an event of default or any other breach under the Indenture and the Notes. Deferred interest will accrue, compounding on each

Table of Contents

subsequent Interest Payment Date, until paid. A Deferral Period terminates on any Interest Payment Date where the Corporation pays all accrued and unpaid interest on such date. No Deferral Period may extend beyond the Maturity Date. We will give the holders of the Notes (the "Noteholders") written notice of our election to commence or continue a Deferral Period at least 10 and not more than 60 days before the next Interest Payment Date.

**Dividend Stopper Undertaking**

Unless we have paid all accrued and payable interest on the Notes, we will not (the "Dividend Stopper Undertaking"):

declare any dividend on the Dividend Restricted Shares or pay any interest on any Parity Notes (other than stock dividends on Dividend Restricted Shares);

redeem, purchase or otherwise retire any Dividend Restricted Shares or Parity Notes (except (i) with respect to Dividend Restricted Shares, out of the net cash proceeds of a substantially concurrent issue of Dividend Restricted Shares or (ii) pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching to any series of Dividend Restricted Shares); or

make any payment to holders of any of the Dividend Restricted Shares or any Parity Notes in respect of dividends not declared or paid on such Dividend Restricted Shares or interest not paid on such Parity Notes, respectively.

"Dividend Restricted Shares" means, collectively, our preference shares (including the Conversion Preference Shares) and our Common Shares.

"Parity Notes" means any class or series of our indebtedness currently outstanding or hereafter created which ranks on a parity with the Notes (prior to any Automatic Conversion (as defined below)) as to distributions upon liquidation, dissolution or winding-up, and includes our US\$750,000,000 6.00% Fixed-to-Floating Subordinated Notes Series 2016-A due 2077.

It is in our interest to ensure that interest on the Notes is timely paid so as to avoid triggering the Dividend Stopper Undertaking.

**Automatic Conversion**

The Notes, including accrued and unpaid interest thereon, will be converted automatically (the "Automatic Conversion"), without the consent of the Noteholders, into shares of a newly issued series of our preference shares, designated as Preference Shares, Series 2017-A (the "Conversion Preference Shares") upon the occurrence of: (i) the making by the Corporation of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies' Creditors Arrangement Act* (Canada), (ii) any proceeding instituted by the Corporation seeking to adjudicate it a bankrupt or insolvent or, where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over the Corporation or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, or (iv) any proceeding is instituted against the Corporation seeking to adjudicate it a bankrupt or insolvent, or where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry

Table of Contents

of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within sixty (60) days of the institution of any such proceeding or the actions sought in such proceedings occur (including the entry of an order for relief against the Corporation or the appointment of a receiver, interim receiver, trustee, or other similar official for it or for any substantial part of its property and assets) (each, an "Automatic Conversion Event").

The Conversion Preference Shares will carry the right to receive cumulative preferential cash dividends, if, as and when declared by the board of directors of the Corporation, subject to the *Canada Business Corporations Act*, at the Perpetual Preference Share Rate, payable on each semi-annual or quarterly dividend payment date, as the case may be, subject to any applicable withholding tax. See "Description of Conversion Preference Shares."

The Automatic Conversion shall occur upon an Automatic Conversion Event (the "Conversion Time"). At the Conversion Time, the Notes shall be automatically converted, without the consent of the Noteholders, into a newly issued series of fully-paid Conversion Preference Shares. At such time, Notes shall be deemed to be immediately and automatically surrendered and cancelled without need for further action by Noteholders, who shall thereupon automatically cease to be holders thereof and all rights of any such holder as a debtholder of the Corporation shall automatically cease. At the Conversion Time, the Noteholders will receive one Conversion Preference Share for each US\$1,000 principal amount of Notes held immediately prior to the Automatic Conversion together with the number of Conversion Preference Shares (including fractional shares, if applicable) calculated by dividing the amount of accrued and unpaid interest, if any, on the Notes, by US\$1,000.

Upon an Automatic Conversion of the Notes, the Corporation reserves the right not to issue some or all, as applicable, of the Conversion Preference Shares to Ineligible Persons. In such circumstances, the Corporation will hold all Conversion Preference Shares that would otherwise be delivered to Ineligible Persons, as agent for Ineligible Persons, and will attempt to facilitate the sale of such Conversion Preference Shares through a registered dealer retained by the Corporation for the purpose of effecting the sale (to parties other than the Corporation, its affiliates or other Ineligible Persons) on behalf of such Ineligible Persons. Such sales, if any, may be made at any time and any price. The Corporation will not be subject to any liability for failing to sell Conversion Preference Shares on behalf of any such Ineligible Persons or at any particular price on any particular day. The net proceeds received by the Corporation from the sale of any such Conversion Preference Shares will be divided among the Ineligible Persons in proportion to the number of Conversion Preference Shares that would otherwise have been delivered to them, after deducting the costs of sale and applicable taxes, if any. The Corporation will make payment of the aggregate net proceeds to the Depository (if the Notes are then held in the book-entry only system) or to the registrar and transfer agent (in all other cases) for distribution to such Ineligible Persons in accordance with the procedures of the Depository or otherwise.

As a precondition to the delivery of any certificate or other evidence of issuance representing any Conversion Preference Shares or related rights following an Automatic Conversion, the Corporation may obtain from any Noteholder (and persons holding Notes represented by such Noteholder) a declaration, in form and substance satisfactory to the Corporation, confirming compliance with any applicable regulatory requirements to establish that such Noteholder is not, and does not represent, an Ineligible Person.

As the events that give rise to an Automatic Conversion are bankruptcy and related events, it is in our interest to ensure that an Automatic Conversion does not occur, although the events that could give rise to an Automatic Conversion may be beyond our control.

Table of Contents

**Redemption Right**

On or after July 15, 2027, the Corporation may, at its option, on giving not more than 60 nor less than 30 days' notice to the Noteholders, redeem the Notes, in whole at any time or in part from time to time, on any Interest Payment Date. The redemption price per US\$1,000 principal amount of Notes redeemed on any Interest Payment Date will be 100% of the principal amount thereof, together with accrued and unpaid interest to, but excluding, the date fixed for redemption. Notes that are redeemed shall be cancelled and shall not be reissued.

In the event that the Corporation redeems or purchases any of the Notes, the Corporation intends (without thereby assuming a legal obligation) to do so only to the extent the aggregate redemption or purchase price is equal to or less than the net proceeds, if any, received by the Corporation from new issuances during the period commencing on the 360th calendar day prior to the date of such redemption or purchase of securities which are assigned by S&P at the time of sale or issuance, an aggregate equity credit that is equal to or greater than the equity credit assigned to the Notes to be redeemed or repurchased (but taking into account any changes in hybrid capital methodology or another relevant methodology or the interpretation thereof since the issuance of the Notes), unless:

the issuer credit rating assigned by S&P to the Corporation is at least BBB+ (or such similar nomenclature then used by S&P) and the Corporation is comfortable that such rating would not fall below this level as a result of such redemption or purchase; or

in the case of a purchase:

such repurchase is of less than 10 percent of the aggregate principal amount of the Notes originally issued in any period of 12 consecutive months, or

a maximum of 25 percent of the aggregate principal amount of the Notes originally issued in any period of ten consecutive years is purchased,

the Notes are not assigned equity credit by S&P at the time of such redemption or purchase, or

the Notes are redeemed pursuant to a Rating Event or a Tax Event (each as defined herein), or

such redemption or purchase occurs on or after July 15, 2047.

***Redemption on Tax Event or Rating Event***

Prior to the initial Interest Reset Date and within 90 days of a Tax Event, the Corporation may, at its option, on giving not more than 60 nor less than 30 days' notice to the Noteholders, redeem all (but not less than all) of the Notes. The redemption price per US\$1,000 principal amount of Notes will be equal to 100% of the principal amount thereof, together with accrued and unpaid interest to but excluding the date fixed for redemption.

A "Tax Event" means the Corporation has received an opinion of independent counsel of a nationally recognized law firm in Canada or the U.S. experienced in such matters (who may be counsel to the Corporation) to the effect that, as a result of, (i) any amendment to, clarification of, or change (including any announced prospective change) in, the laws, or any regulations thereunder, or any application or interpretation thereof, of Canada or the U.S. or any political subdivision or taxing authority thereof or therein, affecting taxation, (ii) any judicial decision, administrative pronouncement, published or private ruling, regulatory procedure, rule, notice, announcement, assessment or reassessment (including any notice or announcement of intent to adopt or issue such decision, pronouncement, ruling, procedure, rule, notice, announcement, assessment or reassessment) (collectively, an "administrative action"), or (iii) any amendment to, clarification of, or change in, the official position with respect to or the interpretation of any administrative action or any interpretation or pronouncement that provides for a position with respect to such administrative action that differs from the theretofore generally accepted position, in each of case





Table of Contents

(i), (ii) or (iii), by any legislative body, court, governmental authority or agency, regulatory body or taxing authority, irrespective of the manner in which such amendment, clarification, change, administrative action, interpretation or pronouncement is made known, which amendment, clarification, change or administrative action is effective or which interpretation, pronouncement or administrative action is announced on or after the date of issue of the Notes, there is more than an insubstantial risk (assuming any proposed or announced amendment, clarification, change, interpretation, pronouncement or administrative action is effective and applicable) that the Corporation is, or may be, subject to more than a de minimis amount of additional taxes, duties or other governmental charges or civil liabilities because the treatment of any of its items of income, taxable income, expense, taxable capital or taxable paid-up capital with respect to the Notes (including the treatment by the Corporation of interest on the Notes), as or as would be reflected in any tax return or form filed, to be filed, or that otherwise could have been filed, will not be respected by a taxing authority.

Prior to the initial Interest Reset Date and within 90 days following the occurrence of a Rating Event, the Corporation may, at its option, on giving not more than 60 nor less than 30 days' notice to the Noteholders, redeem all (but not less than all) of the Notes. The redemption price per US\$1,000 principal amount of Notes will be equal to 102% of the principal amount thereof, together with accrued and unpaid interest to but excluding the date fixed for redemption.

A "Rating Event" means the amount of equity credit assigned to the Notes by Moody's, S&P, DBRS or Fitch has been reduced due to an amendment to, clarification of or change in, the Equity Credit Methodology.

"Equity Credit Methodology" means the methodology or criteria employed by Moody's, S&P, DBRS or Fitch for purposes of assigning equity credit to securities such as the Notes that was effective on the date of the original issuance of the Notes.

**Subordination**

The Notes will be direct unsecured subordinated obligations of the Corporation. The payment of principal and interest on the Notes, to the extent provided in the Indenture, will be subordinated in right of payment to the prior payment in full of all present and future Senior Indebtedness, and will be effectively subordinated to all indebtedness and obligations of the Corporation's subsidiaries.

In the event (i) of any insolvency or bankruptcy proceedings or any receivership, liquidation, reorganization or other similar proceedings in respect of the Corporation or a substantial part of its property, or of any proceedings for liquidation, dissolution or other winding-up of the Corporation, or (ii) subject to the subordination provisions in the Indenture that a default shall have occurred with respect to payments due on any Senior Indebtedness, or there shall have occurred an event of default (other than a default in payment) in respect of any Senior Indebtedness permitting the holder or holders thereof to accelerate the maturity thereof, or (iii) that the principal of and accrued interest on the Notes shall have been declared due and payable pursuant to the Indenture and such declaration shall not have been rescinded and annulled as provided therein, then the holders of Senior Indebtedness shall first be entitled to receive payment of the full amount due thereon before the Noteholders are entitled to receive a payment on account of the principal or interest on the Notes, including, without limitation, any payments made pursuant to any redemption or purchase for cancellation.

"Senior Indebtedness" means obligations (other than non-recourse obligations, the Notes or any other obligations specifically designated as being subordinate in right of payment to Senior Indebtedness) of, or guaranteed or assumed by, the Corporation for borrowed money or evidenced by bonds, debentures or notes or obligations of the Corporation for or in respect of bankers' acceptances (including the face amount thereof), letters of credit and letters of guarantee (including all reimbursement obligations in respect of each of the foregoing) or other similar instruments, and amendments, renewals, extensions,

Table of Contents

modifications and refundings of any such indebtedness or obligation. As of July 7, 2017, the Corporation's Senior Indebtedness totaled approximately \$64,744 million.

**Events of Default**

An event of default in respect of the Notes will occur only if the Corporation defaults on the payment of (i) principal or premium, if any, when due and payable, or (ii) interest when due and payable and such default continues for 30 days (subject to the Corporation's right, at its sole option, to defer interest payments, as described under "Description of the Notes – Deferral Right."). There will be no right of acceleration in the case of a default in the performance of any other covenant of the Corporation in the Indenture, although a legal action could be brought to enforce such covenant. For the avoidance of doubt, the events of default stated in this section shall be the only events of default applicable to the Notes.

If an event of default has occurred and is continuing, and the Notes have not already been automatically converted into Conversion Preference Shares, then the Corporation shall be deemed to be in default under the Indenture and the Notes and the Trustee may, in its discretion and shall upon the request of holders of not less than one-quarter of the principal amount of Notes then outstanding under the Indenture, demand payment of the principal or premium, if any, together with any accrued and unpaid interest up to (but excluding) such date, which shall immediately become due and payable in cash, and may institute legal proceedings for the collection of such aggregate amount in the event the Corporation fails to make payment thereof upon such demand.

**Additional Covenants**

In addition to the Dividend Stopper Undertaking, the Corporation will covenant for the benefit of the Noteholders, that it will not create or issue any preference shares which, in the event of insolvency or winding-up of the Corporation, would rank in right of payment in priority to the Conversion Preference Shares.

**Issue of Conversion Preference Shares in Connection with Automatic Conversion**

All corporate action necessary to authorize the Corporation to issue Conversion Preference Shares pursuant to the terms of the Notes will be completed prior to the closing of the offering of the Notes.

**Payment of Additional Amounts**

All payments made by or on account of any obligation of the Corporation under or with respect to the Notes shall be made free and clear of and without withholding or deduction for, or on account of, any present or future tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and other liabilities related thereto) imposed or levied by or on behalf of the Government of Canada or any province or territory thereof or by any authority or agency therein or thereof having power to tax (hereinafter, "Canadian Taxes"), unless the Corporation is required to withhold or deduct Canadian Taxes by law or by the interpretation or administration thereof by the relevant government authority or agency. If the Corporation is so required to withhold or deduct any amount for or on account of Canadian Taxes from any payment made under or with respect to the Notes, the Corporation shall pay as additional interest such additional amounts (hereinafter "Additional Amounts") as may be necessary so that the net amount received by each Noteholder (including Additional Amounts) after such withholding or deduction shall not be less than the amount the Noteholder would have received if such Canadian Taxes had not been withheld or deducted; provided, however, that no Additional Amounts shall be payable with respect to a payment made to a Noteholder (hereinafter an "Excluded Holder") in respect of a beneficial owner (i) with which the Corporation does not deal at arm's length (for purposes of the Tax Act) at the time of the making of such payment, (ii) which is subject to such Canadian Taxes by reason of the failure to comply with any certification, identification, information, documentation or other reporting requirement by a

Table of Contents

Noteholder if compliance is required by law, regulation, administrative practice or an applicable treaty as a precondition to exemption from, or a reduction in, the rate of deduction or withholding of, such Canadian Taxes, (iii) where all or any portion of the amount paid to such Noteholder is deemed to be a dividend paid to such holder pursuant to subsection 214(16) of the Tax Act, or (iv) which is subject to such Canadian Taxes by reason of its carrying on business in or being connected with Canada or any province or territory thereof otherwise than by the mere holding of Notes or the receipt of payments thereunder. The Corporation shall make such withholding or deduction and remit the full amount deducted or withheld to the relevant authority as and when required under applicable law.

If a Noteholder has received a refund or credit for any Canadian Taxes with respect to which the Corporation has paid Additional Amounts, such Noteholder shall pay over such refund to the Corporation (but only to the extent of such Additional Amounts), net of all out-of-pocket expenses of such Noteholder, together with any interest paid by the relevant tax authority in respect of such refund.

If Additional Amounts are required to be paid as a result of a Tax Event, the Corporation may elect to redeem the outstanding Notes. See "Redemption on Tax Event or Rating Event" above.

**Book-Entry System**

The Notes will be represented by fully registered global securities (the "Global Securities") registered in the name of Cede & Co. (the nominee of The Depository Trust Company (the "Depository")), or such other name as may be requested by an authorized representative of the Depository. The authorized minimum denominations of each Note will be US\$2,000 and integral multiples of US\$1,000 in excess thereof. The provisions set forth under "Description of Debt Securities – Global Securities" in the accompanying prospectus will be applicable to the Notes. Accordingly, Notes may be transferred or exchanged only through the Depository and its participants. Except as described under "Description of Debt Securities – Global Securities" in the accompanying prospectus, owners of beneficial interests in the Global Securities will not be entitled to receive Notes in definitive form. Account holders in the Euroclear or Clearstream clearance systems may hold beneficial interests in the Notes through the accounts that each of these systems maintains as a participant in the Depository.

Each person owning a beneficial interest in a Global Security must rely on the procedures of the Depository and, if such person is not a participant, on the procedures of the participant through which such person owns its interest in order to exercise any rights of a holder under the Indenture. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in certificated form. Such limits and such laws may impair the ability to transfer beneficial interests in a Global Security representing the Notes.

***The Depository***

The following is based on information furnished by the Depository: The Depository is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the U.S. Securities Exchange Act. The Depository holds securities that its participants ("Participants") deposit with the Depository. The Depository also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. These direct Participants ("Direct Participants") include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Access to the Depository's system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with

Table of Contents

a Direct Participant, either directly or indirectly ("Indirect Participants"). The rules applicable to the Depository and its Participants are on file with the SEC.

Purchases of the Notes under the Depository's system must be made by or through Direct Participants, which will receive a credit for such Notes on the Depository's records. The ownership interest of each actual purchaser of each Note represented by a Global Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from the Depository of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in a Global Security representing Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners of a Global Security representing the Notes will not receive Notes in definitive form representing their ownership interests therein, except in the event that use of the book-entry system for such Notes is discontinued.

To facilitate subsequent transfers, the Global Securities representing the Notes which are deposited with the Depository are registered in the name of the Depository's nominee, Cede & Co., or such other name as may be requested by an authorized representative of the Depository. The deposit of Global Securities with the Depository and their registration in the name of Cede & Co. or such other nominee effect no change in beneficial ownership. The Depository has no knowledge of the actual Beneficial Owners of the Global Securities representing the Notes; the Depository's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by the Depository to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither the Depository nor Cede & Co. (nor such other nominee of the Depository) will consent or vote with respect to the Global Securities representing the Notes. Under its usual procedures, the Depository mails an "omnibus proxy" to the Corporation as soon as possible after the applicable record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the applicable record date (identified in a listing attached to the omnibus proxy).

Principal, premium, if any, and interest payments on the Global Securities representing the Notes will be made to Cede & Co. (or such other nominee as may be requested by an authorized representative of the Depository). The Depository's practice is to credit Direct Participants' accounts, upon the Depository's receipt of funds and corresponding detail information from the Corporation or the Trustee, on the applicable payment date in accordance with their respective holdings shown on the Depository's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of the Depository, the Trustee or the Corporation, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of the Depository) is the responsibility of the Corporation or the Trustee, disbursement of such payments to Direct Participants shall be the responsibility of the Depository, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

The Depository may discontinue providing its services as securities depository with respect to the Notes at any time by giving reasonable notice to the Corporation or the Trustee. Under such

Table of Contents

circumstances, in the event that a successor securities depository is not obtained, Notes in definitive form are required to be printed and delivered to each Noteholder.

The Corporation may decide to discontinue use of the system of book-entry transfers through the Depository (or a successor securities depository). In that event, Notes in definitive form will be printed and delivered.

Settlement for the Notes will be made in immediately available funds. Secondary market trading in the Notes will be settled in immediately available funds.

The information in this section concerning the Depository and the Depository's book-entry system has been obtained from sources that the Corporation believes to be reliable, but is subject to any changes to the arrangements between the Corporation and the Depository and any changes to such procedures that may be instituted unilaterally by the Depository.

***Euroclear***

Euroclear is incorporated under the laws of Belgium as a bank and is subject to regulation by the Belgian Banking, Finance and Insurance Commission (La Commission Bancaire, Financière et des Assurances) and the National Bank of Belgium (Banque Nationale de Belgique). Euroclear holds securities for its customers and facilitates the clearance and settlement of securities transactions among them. It does so through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates. Euroclear provides other services to its customers, including credit, custody, lending and borrowing of securities and tri-party collateral management. It interfaces with the domestic markets of several countries. Euroclear customers include banks, including central banks, securities brokers and dealers, trust companies and clearing corporations and may include certain other professional financial intermediaries. Indirect access to the Euroclear system is also available to others that clear through Euroclear customers or that have custodial relationships with Euroclear customers. All securities in Euroclear are held on a fungible basis. This means that specific certificates are not matched to specific securities clearance accounts.

The information in this section concerning Euroclear has been obtained from sources that the Corporation believes to be reliable, but is subject to any changes that may be instituted unilaterally by Euroclear.

***Clearstream***

Clearstream is a duly licensed bank organized as a société anonyme incorporated under the laws of Luxembourg and is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector (Commission de Surveillance du Secteur Financier). Clearstream holds securities for its customers and facilitates the clearance and settlement of securities transactions among them. It does so through electronic book-entry transfers between the accounts of its customers. This eliminates the need for physical movement of securities. Clearstream provides other services to its customers, including safekeeping, administration, clearance and settlement of internationally traded securities and lending and borrowing of securities. It interfaces with the domestic markets in over 30 countries through established depository and custodial relationships. Clearstream's customers include worldwide securities brokers and dealers, banks, trust companies and clearing corporations and may include professional financial intermediaries. Its U.S. customers are limited to securities brokers and dealers and banks. Indirect access to the Clearstream system is also available to others that clear through Clearstream customers or that have custodial relationships with its customers, such as banks, brokers, dealers and trust companies.

The information in this section concerning Clearstream has been obtained from sources that the Corporation believes to be reliable, but is subject to any changes that may be instituted unilaterally by Clearstream.

Table of Contents

***Global Clearance and Settlement Procedures***

Cross market transfers between persons holding directly or indirectly through the Depositary, on the one hand, and directly or indirectly through Euroclear or Clearstream, on the other, will be effected through the Depositary in accordance with Depositary rules on behalf of the relevant European international clearing system by its U.S. depositary; however, such cross market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to its U.S. depositary to take action to effect final settlement on its behalf by delivering or receiving Notes through the Depositary, and making or receiving payment in accordance with normal procedures for same day funds settlement applicable to the Depositary. Clearstream participants and Euroclear participants may not deliver instructions directly to their respective U.S. depositaries.

Because of time zone differences, credits of Notes received through Clearstream or Euroclear as a result of a transaction with a Depositary participant will be made during subsequent securities settlement processing and dated the business day following the Depositary settlement date. Such credits or any transactions in such Notes settled during that processing will be reported to the relevant Euroclear participants or Clearstream participants on that following business day. Cash received in Clearstream or Euroclear as a result of sales of Notes by or through a Clearstream participant or a Euroclear participant to a Depositary participant will be received with value on the Depositary settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the business day following settlement with the Depositary.

Although the Depositary, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of Notes among participants of the Depositary, Clearstream and Euroclear, they are under no obligation to perform or continue to perform those procedures and those procedures may be modified or discontinued at any time. Neither we nor the paying agent will have any responsibility for the performance by the Depositary, Euroclear or Clearstream or their respective direct or indirect participants of their obligations under the rules and procedures governing their operations.

**Governing Law**

The Notes and the Indenture will be governed by the laws of the State of New York, except for the subordination provisions in Article 7 of the third supplemental indenture to the Indenture, which will be governed by the laws of the Province of Alberta.

Table of Contents

**DESCRIPTION OF THE CONVERSION PREFERENCE SHARES**

The following is a summary of the principal rights, privileges, restrictions and conditions attaching to the preference shares of the Corporation as a class and to be attached to the Conversion Preference Shares. The Corporation will furnish on request a copy of the text of the provisions attaching to the preference shares as a class and the Conversion Preference Shares, as a series and such provisions will also be available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the SEC's website at [www.sec.gov](http://www.sec.gov).

**Certain Provisions of the Preference Shares as a Class**

The Corporation is authorized to issue an unlimited number of preference shares without nominal or par value, issuable in series and, with respect to each series, the board of directors of the Corporation shall fix the number of shares comprising the series and determine the designation, rights, privileges, restrictions and conditions attaching to the shares of the series, subject to certain limitations.

The preference shares of each series shall rank on parity with the preference shares of every other series with respect to priority in the payment of dividends and with respect to priority on the return of capital or any other distribution of assets of the Corporation in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary (a "liquidation distribution").

The preference shares of each series shall be entitled to preferences over the Common Shares and any other shares of the Corporation (together, the "junior shares") that may rank junior to the preference shares with respect to priority in the payment of dividends and with respect to priority on a liquidation distribution. Subject to certain limitations, the board of directors of the Corporation may give the preference shares of any series such other preferences over the junior shares as the board of directors of the Corporation sees fit.

The holders of preference shares of a series shall not be entitled to receive notice of or to attend or vote at meetings of the shareholders of the Corporation except as required by law. At any meeting of the holders of the preference shares as a class or at any joint meeting of the holders of two or more series of the preference shares, each holder of preference shares entitled to vote thereat shall have on a poll one one-hundredth of a vote in respect of each dollar of the issue price of each share held, and the formalities to be observed with respect to the giving of notice of any such meeting, the quorum therefor and the conduct thereof shall *mutatis mutandis* be those then prescribed by the Corporation's by-laws or standing board resolutions with respect to meetings of shareholders.

**Certain Provisions of the Conversion Preference Shares**

***Issue Price***

The Conversion Preference Shares will have an issue price of US\$1,000 per share.

***Dividends on Conversion Preference Shares***

Holders of the Conversion Preference Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the board of directors of the Corporation, subject to the *Canada Business Corporations Act*, at the Perpetual Preference Share Rate, payable on each semi-annual or quarterly dividend payment date, as the case may be, subject to applicable withholding tax (see "Summary The Offering Conversion Preference Shares" and "Description of the Notes Interest and Maturity"). If the board of directors does not declare the dividends, or any part thereof, on the Conversion Preference Shares on or before the dividend payment date for a particular period, such dividends or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly available, under the provisions of applicable law and under the provisions of any trust indenture governing bonds, debentures or other securities of the Corporation, for the payment of the same.

Table of Contents

***Redemption of Conversion Preference Shares***

The Conversion Preference Shares shall not be redeemable prior to July 15, 2027. On or after that date, but subject to the provisions described under "Certain Provisions of the Conversion Preference Shares – Restrictions on Payments and Reductions of Capital", on any semi-annual or quarterly dividend payment date, as applicable, the Corporation may, at its option, redeem all or any part of the Conversion Preference Shares by the payment of an amount in cash for each share to be redeemed equal to US\$1,000 plus all accrued and unpaid dividends thereon to but excluding the date fixed for redemption (less any tax required to be deducted and withheld by the Corporation). Should any such date not be a business day, the redemption date will be the next succeeding business day.

Notice of any redemption of Conversion Preference Shares will be given by the Corporation not more than 60 days and not less than 30 days prior to the date fixed for redemption. If less than all of the outstanding Conversion Preference Shares are at any time to be redeemed, the shares so to be redeemed shall be selected by lot in such manner as the board of directors of the Corporation or the transfer agent, if any, appointed by the Corporation in respect of such shares shall decide, or, if the board of directors so decides, such shares may be redeemed pro rata.

***Purchase for Cancellation***

Subject to the provisions described under "Certain Provisions of the Conversion Preference Shares – Restrictions on Payments and Reductions of Capital", the Corporation may from time to time purchase for cancellation all or any part of the Conversion Preference Shares at any price by tender to all holders of Conversion Preference Shares or through the facilities of any stock exchange on which the Conversion Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Conversion Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of Conversion Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus costs of purchase.

***Rights on Liquidation***

In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of the Conversion Preference Shares shall be entitled to receive US\$1,000 per whole Conversion Preference Share together with all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation) before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. After payment to the holders of the Conversion Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

***Restrictions on Payments and Reductions of Capital***

So long as any Conversion Preference Shares are outstanding, the Corporation shall not:

call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Conversion Preference Shares and all other preference shares of the Corporation then outstanding ranking prior to or on parity with the Conversion Preference Shares with respect to payment of dividends;

declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Conversion Preference Shares) on the Common Shares or any other shares ranking junior to the Conversion Preference Shares with respect to payment of dividends; or



Table of Contents

call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Conversion Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Conversion Preference Shares and on all other preference shares then outstanding ranking prior to or on a parity with the Conversion Preference Shares with respect to payment of dividends shall have been declared and paid or set apart for payment at the date of any such action.

*Voting Rights*

The holders of Conversion Preference Shares shall not be entitled to receive notice of or to attend or vote at meetings of the shareholders of the Corporation, except as required by law. At any meeting of the holders of the preference shares as a class or at any joint meeting of the holders of two or more series of the preference shares, each holder of preference shares entitled to vote thereat shall have on a poll one one-hundredth of a vote in respect of each dollar of the issue price of each shareholder.

*Tax Election*

The Conversion Preference Shares will be "taxable preferred shares" as defined in the *Income Tax Act* (Canada) for purposes of the tax under Part IV.1 of the *Income Tax Act* (Canada) applicable to certain corporate holders of the Conversion Preference Shares. The terms of the Conversion Preference Shares require the Corporation to make the necessary election under Part VI.1 of the *Income Tax Act* (Canada) so that such corporate holders will not be subject to the tax under Part IV.1 of the *Income Tax Act* (Canada) on dividends received (or deemed to be received) on the Conversion Preference Shares. See "Certain Canadian Federal Income Tax Considerations Dividends."

*Business Day*

If any day on which any dividend on the Conversion Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day. For the purposes hereof, "business day" shall mean a day on which banks are generally open for business in each of Calgary, Alberta and Toronto, Ontario.

Table of Contents

**MATERIAL INCOME TAX CONSIDERATIONS**

Each of these summaries under this section "Material Income Tax Considerations" is of a general nature only and is not intended to be, and should not be construed to be, legal or tax advice to any particular holder and no representation is made with respect to the United States federal tax consequences or Canadian tax consequences to any particular holder. Accordingly, prospective purchasers are urged to consult their own tax advisors with respect to the United States federal tax consequences or Canadian tax considerations relevant to them, having regard to their particular circumstances.

**Material United States Federal Income Tax Considerations**

This section describes the material United States federal income tax consequences of owning and disposing of the Notes we are offering. It applies only to holders who acquire Notes in the offering at the offering price and who hold their Notes as capital assets for U.S. federal income tax purposes. This section does not apply to members of a class of holders subject to special rules, such as a broker-dealer in securities, commodities or currencies, a governmental organization, a trader in securities that elects to use a mark-to-market method of accounting, a bank, thrift or other financial institution, a life insurance company, a tax-exempt organization, a real estate investment trust, a regulated investment company, an insurance company, a foreign person or entity, a person that actually or constructively owns 10% or more of our voting stock, a person that owns Notes that are a hedge or that are hedged against interest rate risks, a person that owns Notes as part of a "straddle", "constructive sale", "hedge" or "conversion transaction" for U.S. federal income tax purposes, a person that purchases or sells Notes as part of a wash sale for U.S. federal income tax purposes, a tax deferred or other retirement account, a partnership, S corporation or other pass-through entity or person whose functional currency for tax purposes is not the United States dollar. This section addresses only certain U.S. federal income tax consequences and does not address any state, local or non-U.S. tax consequences, or any tax consequences under the estate, gift or alternative minimum tax provisions of the Internal Revenue Code of 1986, as amended (the "Code").

This section is based on the Code, its legislative history, final, temporary and proposed regulations thereunder ("Treasury Regulations"), published rulings and court decisions, all as currently in effect on the date hereof. These laws are subject to change, possibly on a retroactive basis, and any such change could affect the continuing validity of this discussion. This discussion is not binding on the Internal Revenue Service (the "Service") and we have not sought and will not seek any rulings from the Service regarding the matters discussed below. There can be no assurance that the Service will not take positions that are different from those discussed below or that a United States court will not sustain such a challenge.

**All holders are urged to consult their own tax advisor concerning the consequences of owning these Notes in such holder's particular circumstances under the Code and the laws of any other taxing jurisdiction.**

This section applies only to U.S. holders. A U.S. holder is a beneficial owner of a Note that is (i) an individual who is a citizen or resident of the United States, (ii) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof, or the District of Columbia, (iii) an estate whose income is includible in gross income for U.S. federal income tax purposes regardless of its source, or (iv) a trust, if (a) a United States court can exercise primary supervision over the trust's administration and one or more United States persons are authorized to control all substantial decisions of the trust or (b) it has a valid election in effect under applicable Treasury Regulations to be treated as a United States person.

If a partnership (or other entity, organized within or without the United States, treated as a partnership for U.S. federal income tax purposes) holds Notes, the tax treatment of a partner as beneficial owner of Notes generally will depend on the status of the partner and the activities of the partnership. A

Table of Contents

partner in a partnership (or other entity treated as a partnership for U.S. federal income tax purposes) holding the Notes is urged to consult its tax advisor with regard to the United States federal income tax treatment of an investment in the Notes.

***Characterization of the Notes for U.S. Federal Income Tax Purposes***

There is no authority that addresses the U.S. federal income tax treatment of an instrument such as the Notes that is denominated as a debt instrument but that provides for Automatic Conversion into Conversion Preference Shares upon the occurrence of an Automatic Conversion Event. It is therefore unclear whether the Notes should be treated as equity or debt of Enbridge for U.S. federal income tax purposes. Enbridge believes, however, that the Notes should be treated as equity of Enbridge for U.S. federal income tax purposes, and the terms of the Notes require a holder (in the absence of a statutory, regulatory, administrative or judicial ruling to the contrary) to treat the Notes for U.S. federal income tax purposes in accordance with such characterization. Except as discussed under " Alternative Treatments" below, the discussion below assumes that