

CIRCULAR 199-18
December 13, 2018

**FINAL CONTRACT ADJUSTMENT
Kinder Morgan Canada Limited. (KML)
Special Cash Dividend**

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

The Bourse and CDCC wish to inform you that Kinder Morgan Canada Limited ("Kinder Morgan" or the "Company") (TSX: KML) announced that KML shareholders, at a special meeting, voted to approve two special resolutions. The first was a reduction of the stated capital account of the restricted voting shares by an aggregate amount equal to CAD \$1.45 billion and declared a return of capital in the amount of CAD \$11.40 per restricted voting share.

The return of capital is scheduled to be paid on January 3, 2019 to restricted voting shareholders of record as of the close of business on December 14, 2018. The restricted voting shares will commence trading on a "due bill" basis at the opening on December 13, 2018, and will commence trading "ex-distribution" on January 4, 2019.

The second resolution was a consolidation of the issued and outstanding restricted voting shares and special voting shares of KML on the basis of one post-consolidation share for every three pre-consolidation shares. KML has the effective date for the share consolidation on January 4, 2019.

KML expects the restricted voting shares to commence trading on a post-consolidated basis on January 8, 2019. Be aware that there will be trading on January 4 and January 7 - two trading days that would take place ex-distribution but pre-share consolidation. KML will issue a press release if any of these dates change.

The Bourse and CDCC will take into account the special dividend by adjusting the strike prices of Kinder Morgan Canada Limited (KML) options, by an amount equivalent to the special dividend that is CAD \$ 11.40.

Special Dividend - Adjustment Details:

- **EX-DATE:** **January 4, 2019**
- **RECORD DATE:** **December 14, 2018**
- **PAYABLE DATE:** **January 3, 2019**

CDCC - Adjustment Details:

According to Terms of Adjustment provided in Section A-902 of the Rules of CDCC, all Kinder Morgan Canada Limited (KML) options will be adjusted as follows:

- **EFFECTIVE DATE:** **January 4, 2019**
- **OPTIONS SYMBOL:** **Unchanged**
- **NUMBER OF CONTRACTS:** **Unchanged**
- **MULTIPLIER:** **Unchanged**
- **DELIVERABLE PER CONTRACT:** **100 common shares of KML**
- **POSITION AND EXERCISE LIMITS:** **Position and exercise limits will remain 250 000 contracts.**
- **CUSIP:** **Unchanged**
- **STRIKE PRICES:** **An adjustment of CAD \$11.40 will be made for all existing series.**

Bourse de Montréal Inc. - Adjustment Details:

It is important to note that on the effective date mentioned above, all open orders on this option class **will not be automatically modified** to reflect the change and will therefore have to **be re-entered** into the Montreal Automated System (SAM) by the approved participants.

At the opening of business on January 4, 2019, the strike prices for KML series will be adjusted as indicated below:

Kinder Morgan Canada Limited		
Symbol	Actual Strike Prices	New Strike Prices after the Special Dividend
KML	\$13.00	\$1.60
KML	\$14.00	\$2.60
KML	\$15.00	\$3.60
KML	\$16.00	\$4.60
KML	\$17.00	\$5.60
KML	\$18.00	\$6.60
KML	\$19.00	\$7.60
KML	\$20.00	\$8.60
KML	\$21.00	\$9.60
KML	\$22.00	\$10.60
KML	\$23.00	\$11.60



The above table may not reflect all listed series due to market fluctuations.

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

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

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Financial Markets