



10000807104657547

2015788686.

# Articles Of Arrangement

Business Corporations Act  
Section 193

1. Name of Corporation	2. Corporate Access Number
KEYERA CORP.	2015198241

3. In accordance with the order approving the arrangement, the articles of the corporation are amended as follows:

In accordance with the order of the Court of Queen's Bench of Alberta dated December 7, 2010 approving the arrangement pursuant to Section 193 of the *Business Corporations Act* (Alberta), a copy of which is attached hereto as Schedule "A", the Plan of Arrangement, a copy of which is attached hereto as Schedule "B" (which are incorporated into and form a part hereof), involving Keyera Energy Management Ltd., Keyera Facilities Income Fund, Keyera Corp., Certain Subsidiaries of Keyera Energy Management Ltd., Keyera Facilities Income Fund and Keyera Corp. and the UnitHolders of Keyera Facilities Income Fund, is hereby effected.

No amendment to the Articles of Keyera Corp. is being effected by these Articles of Arrangement, other than as a result of the amalgamation of Keyera Energy Management Ltd., Keyera Energy Facilities Limited and Keyera Corp., which forms part of the Plan of Arrangement.

**C. Dean Setoguchi**  
Vice President & C.F.O.

\_\_\_\_\_  
Name of Person Authorizing (please print)

\_\_\_\_\_  
Title (please print)

  
\_\_\_\_\_  
Signature

January 1, 2011  
\_\_\_\_\_  
Date

This information is being collected for the purposes of corporate registry records in accordance with the Business Corporations Act. Questions about the collection of this information can be directed to the Freedom of Information and Protection of Privacy Coordinator for Alberta Registries, Box 3140, Edmonton, Alberta T5J 4L4, (780) 427-7013.

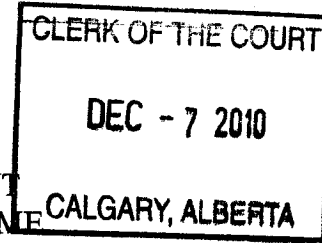
COURT FILE NUMBER 1001-04269

Clerk's Stamp

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANTS KEYERA ENERGY MANAGEMENT LTD., KEYERA FACILITIES INCOME FUND AND KEYERA CORP.



IN THE MATTER OF Section 193 of the Business Corporations Act, R.S.A. 2000, C. B-9, as amended

AND IN THE MATTER OF a proposed arrangement involving Keyera Energy Management Ltd., Keyera Facilities Income Fund, Keyera Corp., certain subsidiaries of Keyera Energy Management Ltd., Keyera Facilities Income Fund and Keyera Corp. and the registered unitholders of Keyera Facilities Income Fund

DOCUMENT

ORDER

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Macleod Dixon LLP 3700 Canterra Tower 400 Third Avenue SW Calgary, Alberta T2P 4H2

Phone: 403-267-9409 Fax: 403-264-5973

Attention: Roger F. Smith

File No. 265490

I hereby certify this to be a true copy of the original Order Dated this 15 day of Dec 2010 [Signature] for Clerk of the Court

DATE ON WHICH ORDER WAS PRONOUNCED: Tuesday, December 7, 2010

NAME OF MASTER/JUDGE WHO MADE THIS ORDER: The Honourable Mr. Justice T.F. McMahon.

**ORDER**

UPON the application by Petition of Keyera Energy Management Ltd. ("**KEML**") on its own behalf and on behalf of Keyera Facilities Income Fund (the "**Fund**") and of Keyera Corp. for an Order that the arrangement (the "**Arrangement**"), the terms of which are set forth in the plan of arrangement attached as Schedule "A" to Schedule "E" to Exhibit "A" to the Affidavit of Dean Setoguchi sworn and filed December 1, 2010, involving KEML, the Fund, Keyera Corp., certain of the direct and indirect wholly-owned entities ("**subsidiaries**") of KEML, the Fund and Keyera Corp. and the registered holders ("**Unitholders**") of trust units of the Fund ("**Units**"), be approved by this Court pursuant to subsection 193(9) of the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended (the "**ABCA**");

AND UPON reading the Interim Order of this Court dated March 25, 2010 (the "**Interim Order**") and the affidavit of Dean Setoguchi filed therein;

AND UPON being convinced that service of notice of this application has been effected in accordance with the Interim Order;

AND UPON being advised by counsel to the Fund, Keyera Corp. and KEML that no notices of intention to appear were filed in respect of this application;

AND UPON reading the Affidavit of Dean Setoguchi, Vice President and Chief Financial Officer of KEML and the Vice President and Chief Financial Officer of Keyera Corp., sworn and filed December 1, 2010 and the documents referred to therein;

AND UPON hearing counsel for the Fund, Keyera Corp. and KEML;

AND UPON noting that the Executive Director of the Alberta Securities Commission has been served with notice of this application as required by subsection 193(8) of the ABCA and that the Executive Director neither consents to nor opposes this application;

AND UPON being satisfied that the annual and special meeting of Unitholders (the "**Meeting**") was called and conducted in accordance with the terms of the Interim Order;

AND UPON being satisfied that the Fund has sought and obtained the approval of the Arrangement by the Unitholders in the manner and by the requisite majority required by the Interim Order;

AND UPON it appearing that it is impracticable to effect the transactions contemplated by the Arrangement under any other provision of the ABCA;

AND UPON being advised that the approval of the Arrangement by this Court will have the effect of providing the basis for an exemption from the registration requirements of the United States *Securities Act of 1933*, as amended, pursuant to section 3(a)(10) thereof, with respect to the issuance of the common shares in the capital of Keyera Corp. issuable pursuant to the Arrangement;

AND UPON the Court being convinced that the statutory requirements to approve the Arrangement have been fulfilled and that the Arrangement has been put forward in good faith;

AND UPON the Court being convinced that the terms and conditions of the Arrangement and the procedures relating thereto are fair to Unitholders and other affected persons both from a substantive and procedural point of view;

AND UPON the Court being convinced that the Arrangement ought to be approved;

IT IS HEREBY ORDERED AND DIRECTED THAT:

1. The Arrangement is approved pursuant to the provisions of Section 193 of the ABCA and under the terms and conditions of the arrangement agreement dated as of March 25, 2010 among the Fund and certain of its subsidiaries, including KEML and Keyera Corp.
2. The Arrangement will, upon the filing of the Articles of Arrangement and other relevant documents with the Registrar of Corporations pursuant to Section 193 of the ABCA, become effective in accordance with its terms and will be binding on and after the effective date of the Arrangement on the Fund, Keyera Corp., KEML, the Unitholders and all other persons.

3. The service of notice of this application and the notices in respect of the Meeting are hereby deemed good and sufficient.
4. Service of this Order shall be made on all such persons who appeared on this application, either by counsel or in person, but is otherwise dispensed with.

"T.F. McMahon"

---

Justice of the Court of Queen's Bench of Alberta

**SCHEDULE "B"**

**PLAN OF ARRANGEMENT  
UNDER SECTION 193  
OF THE *BUSINESS CORPORATIONS ACT* (ALBERTA)  
INVOLVING AND AFFECTING  
KEYERA ENERGY MANAGEMENT LTD., KEYERA FACILITIES INCOME FUND,  
KEYERA CORP., CERTAIN SUBSIDIARIES OF KEYERA ENERGY MANAGEMENT  
LTD., KEYERA FACILITIES INCOME FUND AND KEYERA CORP. AND THE  
UNITHOLDERS OF KEYERA FACILITIES INCOME FUND**

**ARTICLE 1  
INTERPRETATION**

**1.1 Definitions**

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the respective meanings set out below (and grammatical variations of such terms shall have corresponding meanings):

- (a) "ABCA" means *Business Corporations Act*, R.S.A. 2000, c. B-9 and the regulations thereunder;
- (b) "ADT Common Shares" means the common shares in the capital of ADT Ltd.;
- (c) "ADT Ltd." means Alberta Diluent Terminal Ltd., a corporation subsisting under the laws of the Province of Alberta and which is a wholly-owned subsidiary of KEML;
- (d) "ADT LP" means Alberta Diluent Terminal L.P., a limited partnership existing under the laws of the Province of Alberta, the partners of which are ADT Ltd., as general partner, and KELP, as limited partner;
- (e) "Amalco" means the corporation resulting from the amalgamation of KEFL, Newco and GP;
- (f) "Amalco Common Shares" means the common shares in the capital of Amalco;
- (g) "Amalco Transferred Assets" means all of the assets of Amalco other than (i) the Class A Units of Rimbey LP held by Amalco; (ii) the 99.99% limited partnership interest in ADT LP held by Amalco; (iii) the shares in the capital of, and indebtedness owing from, KEI held by Amalco; (iv) the New ADT Common Shares, the New KRL Common Shares and the Subco Common Shares held by Amalco and (v) the shares of KEL held by Amalco;
- (h) "Amalco Transfer Agreement" means the asset transfer agreement between Amalco and KP to be dated the Effective Date relating to the transfer of the Amalco Transferred Assets by Amalco to KP in consideration for the assumption by KP of all of the liabilities of Amalco and Amalco becoming a partner of KP holding a Partnership Interest with a fair market value equal to the fair market value of the Amalco Transferred Assets minus the principal amount of the liabilities of Amalco assumed by KP;

- (i) "**Amalgamated Keyera Corp.**" means the corporation resulting from the amalgamation of Keyera Corp., KEML and Amalco;
- (j) "**Amended DRIP**" means the Amended and Restated Premium Distribution™ and Distribution Reinvestment Plan to be entered into among Keyera Corp., Computershare Trust Company of Canada and Canaccord Financial Inc. pursuant to which, among other things, the DRIP will be amended and restated;
- (k) "**Arrangement**" means the arrangement under section 193 of the ABCA involving KEML, the Fund, Keyera Corp., certain subsidiaries of KEML, the Fund and Keyera Corp. and the Unitholders on the terms and conditions set forth in this Plan of Arrangement;
- (l) "**Articles of Arrangement**" means one or more articles of arrangement in respect of the Arrangement that are required under subsection 193(10) of the ABCA to be filed with the Registrar after the Final Order has been granted to give effect to the Arrangement;
- (m) "**Certificate**" means the certificate(s) or confirmation(s) of filing which may be issued by the Registrar pursuant to subsection 193(11) of the ABCA giving effect to the Arrangement;
- (n) "**Conversion**" means the proposed conversion of the Fund from an income trust structure to a corporate structure pursuant to the Arrangement and related transactions;
- (o) "**Court**" means the Court of Queen's Bench of Alberta;
- (p) "**Debenture Indenture**" means the trust indenture providing for the issuance of the Debentures dated as of June 3, 2004 between the Fund and Computershare Trust Company of Canada as trustee, as supplemented by a supplemental indenture dated December 1, 2008;
- (q) "**Debentures**" means the First Debentures and the Second Debentures and "**Debenture**" means any of them;
- (r) "**Declaration of Trust**" means the declaration of trust establishing the Fund dated April 3, 2003, as amended and restated to June 8, 2009 and governed by the laws of the Province of Alberta, as may be further amended, supplemented or restated from time to time;
- (s) "**Depositary**" means Computershare Trust Company of Canada, or such other trust company as may be designated as registrar and transfer agent for the Fund or Keyera Corp.;
- (t) "**DRIP**" means the Premium Distribution™ and Distribution Reinvestment Plan of the Fund;
- (u) "**Effective Date**" means the date the Arrangement is effective under the ABCA;

- (v) "**Effective Time**" means the time on the Effective Date at which the Arrangement is effective;
- (w) "**Final Order**" means the final order of the Court approving the Arrangement to be applied for following the Meeting and to be granted pursuant to the provisions of subsection 193(9) of the ABCA, as such order may be affirmed, amended or modified by any court of competent jurisdiction;
- (x) "**Finco**" means Keyera Energy Finance Corp., a corporation subsisting under the laws of the Province of Alberta and which is a wholly-owned subsidiary of KEML;
- (y) "**Finco Payable**" means the amount currently owing by Finco to KEFL in the principal amount of approximately \$70,000,000, which will be transferred by KEFL to KP prior to the Effective Time;
- (z) "**First Debentures**" means the 6.75% convertible unsecured subordinated debentures of the Fund issued pursuant to the Debenture Indenture and which are due June 30, 2011;
- (aa) "**Fund**" means Keyera Facilities Income Fund, an incorporated open-ended trust established under the laws of Province of Alberta pursuant to the Declaration of Trust;
- (bb) "**GP**" means Keyera GP Ltd., a corporation subsisting under the laws of the Province of Alberta and which is a wholly-owned subsidiary of KEML;
- (cc) "**GP Common Shares**" means the common shares in the capital of GP;
- (dd) "**Information Circular**" means, collectively, the Notice of Meeting, Proxy Statement and Information Circular and Notice of Petition of the Fund dated March 25, 2010, prepared in connection with the Meeting;
- (ee) "**Interim Order**" means the interim order of the Court under subsection 193(4) of the ABCA containing declarations and directions with respect to the Arrangement and the Meeting, a copy of which order will be attached as Schedule "D" to the Information Circular, as such order may be affirmed, amended or modified by any court of competent jurisdiction;
- (ff) "**KEFL**" means Keyera Energy Facilities Limited, a corporation subsisting under the laws of the Province of Alberta and which is a wholly-owned subsidiary of KERP;
- (gg) "**KEI**" means Keyera Energy Inc., a corporation subsisting under the laws of the State of Delaware and which is a wholly-owned subsidiary of KEFL;
- (hh) "**KEL**" means Keyera Energy Ltd., a corporation subsisting under the laws of the Province of Alberta and which is a wholly-owned subsidiary of KERP;
- (ii) "**KERP**" means Keyera Energy Limited Partnership, a limited partnership existing under the laws of the Province of Alberta;



- (jj) "**KELP Payable**" means the amount currently owing by KELP to Finco in the principal amount of approximately \$70,000,000, the liability for the repayment of which will be assumed by KP pursuant to the Amalco Transfer Agreement;
- (kk) "**KEML**" means Keyera Energy Management Ltd., a corporation subsisting under the laws of the Province of Alberta which is a wholly-owned subsidiary of the Fund and is the administrator of KELP and the Fund and the managing partner of KP;
- (ll) "**Keyera Corp.**" means Keyera Corp., a corporation subsisting under the laws of the Province of Alberta and which is a wholly-owned subsidiary of KEML;
- (mm) "**Keyera Corp. Common Shares**" means the common shares in the capital of Keyera Corp. and, following the amalgamation of Keyera Corp., KEML and Amalco, means the common shares of Amalgamated Keyera Corp.;
- (nn) "**KP**" means Keyera Partnership, a general partnership existing under the laws of the Province of Alberta, the partners of which are KEML and KEFL;
- (oo) "**KRL**" means Keyera Rimbey Ltd., a corporation subsisting under the laws of the Province of Alberta and which is a wholly-owned subsidiary of KEML;
- (pp) "**KRL Common Shares**" means the common shares in the capital of KRL;
- (qq) "**Meeting**" means the annual and special meeting of the Unitholders as of the Record Date to be held on May 11, 2010 to consider, among other things, the Conversion, and any adjournment(s) thereof;
- (rr) "**New ADT**" means a corporation to be incorporated pursuant to the laws of the Province of Alberta as a wholly-owned subsidiary of Newco;
- (ss) "**New ADT Common Shares**" means the common shares in the capital of New ADT;
- (tt) "**New KRL**" means a corporation to be incorporated pursuant to the laws of the Province of Alberta as a wholly-owned subsidiary of Newco;
- (uu) "**New KRL Common Shares**" means the common shares in the capital of New KRL;
- (vv) "**Newco**" means a corporation to be incorporated pursuant to the laws of the Province of Alberta as a wholly-owned subsidiary of the Fund;
- (ww) "**Newco Common Shares**" means the common shares in the capital of Newco;
- (xx) "**Partnership Interest**" means a partnership interest in KP;
- (yy) "**Plan of Arrangement**" means this plan of arrangement, as amended or supplemented from time to time in accordance with the terms hereof;
- (zz) "**Record Date**" means April 1, 2010;

- (aaa) "**Registrar**" means the Registrar of Corporations appointed under section 263 of the ABCA;
- (bbb) "**Rimbey LP**" means Rimbey Pipeline Limited Partnership, a limited partnership existing under the laws of the Province of Manitoba, the partners of which are KRL, as general partner, and KEFL, as limited partner;
- (ccc) "**Second Debentures**" means the 8.25% convertible unsecured subordinated debentures of the Fund issued pursuant to the Debenture Indenture and which are due December 31, 2013;
- (ddd) "**Subco**" means a corporation to be incorporated pursuant to the laws of the Province of Alberta as a wholly-owned subsidiary of KEFL;
- (eee) "**Subco Common Shares**" means the common shares in the capital of Subco;
- (fff) "**subsidiary**" means, with respect to any person, a subsidiary (as that term is defined in the ABCA, with such modifications as necessary so that the definition applies in the event the person is not a corporation) of such person and includes any limited partnership, joint venture, trust, limited liability company, unlimited liability company or other entity, whether or not having legal status, that would constitute a subsidiary (as described above) if such entity were a corporation;
- (ggg) "**Tax Act**" means the *Income Tax Act* (Canada), R.S.C. (5th Supp.), c. 1 and the regulations thereunder;
- (hhh) "**Unitholder**" means a registered holder of Units;
- (iii) "**Unitholder Rights Plan**" means the Unitholder rights plan created pursuant to a unitholder rights agreement between the Fund and Computershare Trust Company of Canada dated as of April 30, 2007;
- (jjj) "**Unitholder URP Rights**" means rights under the Unitholder Rights Plan; and
- (kkk) "**Units**" means the units of the Fund, each representing an equal undivided beneficial interest in the Fund.

## 1.2 Sections

Unless otherwise indicated, any reference in this Plan of Arrangement to a section refers to the specified section of this Plan of Arrangement.

## 1.3 Number, Gender and persons

In this Plan of Arrangement, unless the context otherwise requires, words importing the singular number include the plural and vice versa, words importing any gender include all genders and words importing persons include individuals, bodies corporate, partnerships, associations, trusts, unincorporated organizations, governmental bodies and other legal or business entities of any kind.

**1.4 Currency**

Unless otherwise expressly stated herein, all references to currency and payments in cash or money in this Plan of Arrangement are to Canadian dollars.

**1.5 Statutory References**

Any reference in this Plan of Arrangement to a statute includes such statute as amended, consolidated or re-enacted from time to time, all regulations made thereunder, all amendments to such regulations from time to time, and any statute or regulation which supersedes such statute or regulations.

**ARTICLE 2  
ARRANGEMENT**

**2.1 Binding Effect**

The Articles of Arrangement and Certificate shall be filed and issued, respectively, with respect to this Arrangement in its entirety. The Certificate shall be conclusive evidence that the Arrangement has become effective and that each of the provisions of Section 2.3 has become effective in the sequence and at the times set out therein. This Plan of Arrangement shall become effective at, and be binding at and after, the Effective Time on (i) KEML; (ii) Keyera Corp.; (iii) the Fund; (iv) KEFL; (v) Newco; (vi) GP; (vii) Amalco; (viii) KP; (ix) Finco; (x) the Unitholders; (xi) New ADT; (xii) New KRL; and (xiii) Amalgamated Keyera Corp.

**2.2 US Tax Treatment**

The parties to this Plan of Arrangement intend that for United States federal income tax purposes the transactions contemplated hereby qualify as a "reorganization" within the meaning of subsection 368(a) of the United States *Internal Revenue Code of 1986*, as amended, and that this Plan of Arrangement constitutes a "plan of reorganization" for such purposes.

**2.3 Arrangement**

At the Effective Time, the following transactions shall occur and shall be deemed to occur sequentially in the order set out below, except as otherwise expressly provided. To the extent that such transactions involve KEML or Keyera Corp. or any securities thereof or are governed by Section 193 of the ABCA, such transactions shall occur without any further act or formality pursuant to Section 193 of the ABCA. All other transactions shall occur by means of the appropriate action being taken on the part of the appropriate parties to effect such transactions at the Effective Time:

**Unitholder Rights Plan**

- (a) the Unitholder URP Rights shall be cancelled without any payment or other consideration to Unitholders and the Unitholder Rights Plan shall terminate and cease to have any further force or effect;

**Amendments to the Declaration of Trust**

- (b) the Declaration of Trust shall be amended to the extent necessary to, among other things, facilitate the Conversion and the implementation of the steps and transactions described herein, including, without limitation, to enable the Units held by

Unitholders to be exchanged with Keyera Corp., all as may be reflected in a supplemental trust indenture to be dated as of the Effective Date;

**Amalgamation of KEFL, Newco and GP**

- (c) KEFL, Newco and GP shall be amalgamated and continued as one corporation under the ABCA in accordance with the following:
- (i) **Name.** The name of Amalco shall be "Keyera Energy Facilities Limited";
  - (ii) **Registered Office.** The registered office of Amalco shall be located at Suite 600, Sun Life Plaza, West Tower, 144 - 4th Avenue SW, Calgary, Alberta T2P 3N4;
  - (iii) **Business and Powers.** There shall be no restrictions on the business that Amalco may carry on or on the powers it may exercise;
  - (iv) **Share Provisions.** Amalco shall be authorized to issue an unlimited number of one class of shares designated as common shares;
  - (v) **Restrictions on Transfer.** No shares of Amalco shall be transferred to any person without the approval of the board of directors of Amalco by resolution;
  - (vi) **Other Restrictions.** The additional restrictions on Amalco shall be as set forth in Exhibit 1 hereto;
  - (vii) **Directors and Officers.**
    - (A) **Minimum and Maximum.** The directors of Amalco shall, until otherwise changed in accordance with the ABCA, consist of a minimum number of one and a maximum number of nine directors;
    - (B) **Initial Directors.** The number of directors on the board of directors of Amalco shall initially be set at three. The initial directors of Amalco immediately following the amalgamation shall be the individuals who are directors of Newco immediately prior to the amalgamation;
    - (C) **Initial Officers.** The initial officers of Amalco shall be the same as the officers of Newco immediately prior to the amalgamation;
  - (viii) **Stated Capital.** For the purposes of the ABCA, the aggregate stated capital attributable to the Amalco Common Shares shall be the aggregate of the paid-up capital for the purposes of the Tax Act of the Newco Common Shares and the GP Common Shares immediately before the amalgamation;
  - (ix) **By-laws.** The by-laws of Amalco shall be the same as those of KEFL, *mutatis mutandis*;

- (x) ***Effect of Amalgamation.*** The provisions of subsections 186(b), (c), (d), (e) and (f) of the ABCA shall apply to the amalgamation with the result that:
- (A) the property of each amalgamating corporation (other than shares of an amalgamating corporation held by another amalgamating corporation and an amount receivable by an amalgamating corporation from another amalgamating corporation) shall continue to be the property of Amalco;
  - (B) Amalco shall continue to be liable for the obligations of each amalgamating corporation (other than an amount owing by an amalgamating corporation to another amalgamating corporation);
  - (C) any existing cause of action, claim or liability to prosecution of an amalgamating corporation shall be unaffected;
  - (D) any civil, criminal or administrative action or proceeding pending by or against an amalgamating corporation may be continued to be prosecuted by or against Amalco; and
  - (E) a conviction against, or ruling, order or judgment in favour of or against, an amalgamating corporation may be enforced by or against Amalco; and

- (xi) ***Exchange and Cancellation of Shares.*** On the amalgamation:

- (A) each issued and outstanding Newco Common Share will be converted, without any act or formality on the part of the holder thereof, into one (1) fully paid and non-assessable Amalco Common Share, and the name of each holder of Newco Common Shares will be removed from the register of holders of Newco Common Shares and added to the register of holders of Amalco Common Shares;
- (B) each issued and outstanding GP Common Share will be converted, without any act or formality on the part of the holder thereof, into one-tenth of a fully paid and non-assessable Amalco Common Share, and the name of each holder of GP Common Shares will be removed from the register of holders of GP Common Shares and added to the register of holders of Amalco Common Shares; and
- (C) each issued and outstanding share in the capital of KEFL will be cancelled without any payment of capital in respect thereof;

#### **Amalco Asset Transfer**

- (d) the Amalco Transfer Agreement shall become effective;

#### **Wind-up of Finco**

- (e) the amounts owing by Finco to KP in respect of the Finco Payable shall be set-off against the amounts owing by KP to Finco in respect of the KERP Payable;

- (f) Finco shall be wound-up and dissolved in accordance with the following:
  - (i) the stated capital of all of the shares of Finco shall be reduced without payment to \$1.00 in aggregate immediately prior to the wind-up;
  - (ii) all of the property of Finco shall be distributed to KEML;
  - (iii) KEML shall assume and become liable to pay, satisfy, discharge and observe, perform and fulfill all of the liabilities and obligations of Finco; and
  - (iv) articles of dissolution for Finco shall be filed by KEML with the Registrar;

**Amendment to Articles of Keyera Corp.**

- (g) the articles of incorporation of Keyera Corp. shall be amended by:
  - (i) eliminating the share transfer restrictions in their entirety; and
  - (ii) deleting the "Other Rules or Provisions" schedule attached to the articles of incorporation of Keyera Corp. in its entirety and replacing such schedule with the attached Exhibit 2;

**Exchange of Units**

- (h) the Keyera Corp. Common Shares issued to KEML in connection with the incorporation and organization of Keyera Corp. shall be purchased for cancellation by Keyera Corp. for consideration of one dollar (\$1) per Keyera Corp. Common Share, and shall be cancelled;
- (i) the Units held by Unitholders shall be exchanged with Keyera Corp. (free of any claims) in exchange for the issuance by Keyera Corp. to the Unitholders of fully paid and non-assessable Keyera Corp. Common Shares on the basis of one (1) fully paid and non-assessable Keyera Corp. Common Share for each one (1) Unit so exchanged;
- (j) upon the exchange of Units for Keyera Corp. Common Shares pursuant to subsection 2.3(i):
  - (i) each former Unitholder shall cease to be the holder of the Units so exchanged and the name of each such former holder shall be removed from the register of holders of Units;
  - (ii) each such former Unitholder shall become a holder of the Keyera Corp. Common Shares so exchanged and shall be added to the register of holders of Keyera Corp. Common Shares; and
  - (iii) Keyera Corp. shall become the holder of the Units so exchanged and shall be added to the register of holders of Units in respect thereof;

**Dissolution of the Fund**

- (k) all of the assets of the Fund shall be transferred to Keyera Corp., Keyera Corp. shall assume all of the liabilities and obligations of the Fund (including the DRIP and

associated agreements and the liabilities of the Fund in respect of the Debentures and any declared but unpaid distributions), Keyera Corp. shall dispose of all of its interest as a beneficiary under the Fund and the Fund shall be dissolved and shall thereafter cease to exist;

- (l) the Amended DRIP shall become effective and all existing participants in the DRIP shall be deemed to be participants in the Amended DRIP without any further action on the part of such participants and the holders of Keyera Corp. Common Shares may participate in the Amended DRIP with respect to any cash dividends declared and paid on the Keyera Corp. Common Shares;

#### **Transfer of Interests in ADT LP and Rimbey LP**

- (m) Amalco shall transfer to New ADT the entire 99.99% limited partnership interest in ADT LP in consideration for the issuance by New ADT to Amalco of 99,999 fully paid and non-assessable New ADT Common Shares;
- (n) Amalco shall transfer to New KRL all of the Class A Units of Rimbey LP held by Amalco in consideration for the issuance by New KRL to Amalco of 99,999 fully paid and non-assessable New KRL Common Shares;

#### **Amalgamation of KEML, Amalco and Keyera Corp.**

- (o) KEML, Amalco and Keyera Corp. shall be amalgamated and continued as one corporation under the ABCA in accordance with the following:
  - (i) **Name.** The name of Amalgamated Keyera Corp. shall be "Keyera Corp.";
  - (ii) **Registered Office.** The registered office of Amalgamated Keyera Corp. shall be located at Suite 600, Sun Life Plaza, West Tower, 144 - 4th Avenue SW, Calgary, Alberta T2P 3N4;
  - (iii) **Business and Powers.** There shall be no restrictions on the business that Amalgamated Keyera Corp. may carry on or on the powers it may exercise;
  - (iv) **Share Provisions.** Amalgamated Keyera Corp. shall be authorized to issue an unlimited number of one class of shares designated as common shares;
  - (v) **Restrictions on Transfer.** There shall be no restrictions on the transfer of shares of Amalgamated Keyera Corp.;
  - (vi) **Other Restrictions.** The additional restrictions on Amalgamated Keyera Corp. shall be as set forth in Exhibit 2 hereto;
  - (vii) **Directors and Officers.**
    - (A) **Minimum and Maximum.** The directors of Amalgamated Keyera Corp. shall, until otherwise changed in accordance with the ABCA, consist of a minimum number of three and a maximum number of twelve directors;

- (B) **Initial Directors.** The number of directors on the board of directors of Amalgamated Keyera Corp. shall initially be set at a number that is equal to the number of directors of KEML immediately prior to the amalgamation. The initial directors of Amalgamated Keyera Corp. immediately following the amalgamation shall be the individuals who are directors of KEML immediately prior to the amalgamation;
- (C) **Initial Officers.** The initial officers of Amalgamated Keyera Corp. shall be the same as the officers of KEML immediately prior to the amalgamation;
- (viii) **Stated Capital.** For the purposes of the ABCA, the aggregate stated capital attributable to the common shares of Amalgamated Keyera Corp. shall be equal to the stated capital of the Keyera Corp. Common Shares immediately before the amalgamation;
- (ix) **By-laws.** The by-laws of Amalgamated Keyera Corp. shall be the same as those of Keyera Corp., *mutatis mutandis*;
- (x) **Effect of Amalgamation.** The provisions of subsections 186(b), (c), (d), (e) and (f) of the ABCA shall apply to the amalgamation with the result that:
- (A) the property of each amalgamating corporation (other than shares of an amalgamating corporation held by another amalgamating corporation and an amount receivable by an amalgamating corporation from another amalgamating corporation) shall continue to be the property of Amalgamated Keyera Corp.;
- (B) Amalgamated Keyera Corp. shall continue to be liable for the obligations of each amalgamating corporation (other than an amount owing by an amalgamating corporation to another amalgamating corporation);
- (C) any existing cause of action, claim or liability to prosecution of an amalgamating corporation shall be unaffected;
- (D) any civil, criminal or administrative action or proceeding pending by or against an amalgamating corporation may be continued to be prosecuted by or against Amalgamated Keyera Corp.; and
- (E) a conviction against, or ruling, order or judgment in favour of or against, an amalgamating corporation may be enforced by or against Amalgamated Keyera Corp.; and
- (xi) **Exchange and Cancellation of Shares.** On the amalgamation:
- (A) each issued and outstanding Keyera Corp. Common Share will be converted, without any act or formality on the part of the holder thereof, into one (1) fully paid and non-assessable common share of Amalgamated Keyera Corp., and the name of each holder of Keyera



Corp. Common Shares will be removed from the register of holders of Keyera Corp. Common Shares and added to the register of holders of common shares of Amalgamated Keyera Corp.;

- (B) each issued and outstanding share in the capital of Amalco will be cancelled without any payment of capital in respect thereof; and
- (C) each issued and outstanding share in the capital of KEML will be cancelled without any payment of capital in respect thereof.

**2.4 Stated Capital of Keyera Corp.**

Upon issuance of the Keyera Corp. Common Shares in accordance with subsection 2.3(i), there shall have been added to the stated capital account maintained for the Keyera Corp. Common Shares an amount determined by the board of directors of Keyera Corp. in accordance with Subsection 28(3) of the ABCA.

**2.5 Securities Registers**

Newco, New ADT, New KRL, Subco, GP, KP, Amalco, Keyera Corp. and Amalgamated Keyera Corp. shall make the appropriate entries in their respective securities registers to reflect the matters referred to in Section 2.3.

**ARTICLE 3  
CERTIFICATES**

**3.1 Outstanding Unit Certificates**

From and after the Effective Time, certificates formerly representing Units shall cease to represent a right or claim of any kind or nature.

**3.2 Certificates Representing Keyera Corp. Common Shares**

Amalgamated Keyera Corp. shall, as soon as practicable following the Effective Date, cause the Depository to deliver to former Unitholders certificate(s) representing the number of Keyera Corp. Common Shares which such person has the right to receive pursuant to Section 2.3.

**ARTICLE 4  
AMENDMENT**

**4.1 Plan of Arrangement Amendment**

- (a) KEML, in its sole discretion, reserves the right to amend, modify and/or supplement this Plan of Arrangement from time to time at any time prior to the Effective Time provided that any such amendment, modification or supplement must be contained in a written document that is filed with the Court and, if made following the Meeting, approved by the Court, and communicated to Unitholders in the manner required by the Court (if so required).
- (b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by KEML at any time prior to, at or after the Meeting but prior to the

Effective Time and any such amendment, modification or supplement which is approved or directed by the Court following the Meeting shall be effective and shall become part of the Plan of Arrangement.

- (c) Subject to applicable law, any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Time unilaterally by KEML, provided that it concerns a matter which, in the reasonable opinion of KEML, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of the Unitholders.

**Exhibit 1****OTHER RULES OR PROVISIONS (IF ANY):**

The directors may, between annual general meetings, appoint one or more additional directors of Keyera Energy Facilities Limited, to serve until the next annual general meeting, but the number of additional directors shall not at any time exceed one-third (1/3) of the number of directors who held office at the expiration of the last annual meeting of Keyera Energy Facilities Limited.

No securities of Keyera Energy Facilities Limited, other than non-convertible debt securities, shall be transferred to any person without the approval of the Board of Directors by resolution.

**Exhibit 2**

**OTHER RULES OR PROVISIONS (IF ANY):**

The directors may, between annual general meetings, appoint one or more additional directors of Keyera Corp. to serve until the next annual general meeting, but the number of additional directors shall not at any time exceed one-third (1/3) of the number of directors who held office at the expiration of the last annual meeting of Keyera Corp.

Meetings of the shareholders of Keyera Corp. may be held outside Alberta at any place within Canada as the Board of Directors of Keyera Corp. may determine.