SUBJECT TO COMPLETION, DATED JANUARY 11, 2021

A copy of this preliminary prospectus supplement has been filed with the securities regulatory authorities in each of the provinces of Canada, but has not yet become final for the purposes of the sale of securities. Information contained in this preliminary prospectus supplement may not be complete and may have to be amended.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

*This prospectus supplement (this "**Prospectus Supplement**"), together with the accompanying short form base shelf prospectus dated December 30, 2020 to which it relates, as amended or supplemented (the "**Prospectus**"), and each document incorporated, or deemed to be incorporated, by reference into the Prospectus, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.*

*The securities offered hereunder have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as such term is defined in Regulation S under the U.S. Securities Act), except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. This Prospectus Supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereunder within the United States. See "Plan of Distribution".*

***Information has been incorporated by reference into the Prospectus from documents filed with securities commissions or similar authorities in Canada.** Copies of the documents incorporated therein by reference may be obtained on request without charge from the Corporate Secretary of Pembina Pipeline Corporation, at #4000, 585 – 8th Avenue S.W., Calgary, Alberta, T2P 1G1, Telephone (403) 231-7500, and are also available electronically at www.sedar.com.*

Preliminary Prospectus Supplement to a Short Form Base Shelf Prospectus Dated December 30, 2020

New Issue January ●, 2021

PEMBINA PIPELINE CORPORATION

$● million
●% Fixed-to-Fixed Rate Subordinated Notes, Series 1 due January ●, 2081

$● million
● Cumulative Redeemable Fixed-to-Fixed Rate Class A Preferred Shares, Series 2021-A

Pembina Pipeline Corporation ("**Pembina**" or the "**Corporation**") is hereby qualifying the distribution of $● aggregate principal amount of ●% Fixed-to-Fixed Rate Subordinated Notes, Series 1 due January ●, 2081 (the "**Notes**"). The Notes will mature on January ●, 2081 (the "**Maturity Date**"). The Corporation will pay interest on the Notes in equal (subject to the reset of the interest rate as described herein) semi-annual installments on January ● and July ● of each year (each such semi-annual interest payment date, an "**Interest Payment Date**"), payable in arrears, with the first payment on July ●, 2021. From, and including, the date of issue (the "**Closing Date**") to, but excluding, January ●, 2031, the Notes will bear interest at a rate of ●% per annum, with the first payment being $● per $1,000 principal amount of Notes. From, and including, January ●, 2031, and on every fifth anniversary of such date thereafter (each such date, an "**Interest Reset Date**"), the interest rate on the Notes will reset for the Subsequent Fixed Rate Period (as defined herein) at a rate per annum equal to the Five Year Government of Canada Yield (as defined herein) as of the most recent Interest Reset Determination Date (as defined herein), plus: (a) for the period from, and including, January ●, 2031 to, but excluding, January ●, 2051, ●%; and (b) for the period from, and including, January ●, 2051 to, but excluding, the Maturity Date, ●%, in each case, to be reset on each Interest Reset Date. So long as no Event of Default (as defined herein) has occurred and is continuing, the Corporation may elect, at its option, on any date other than an Interest Payment Date, to defer the interest payable on the Notes on one or more occasions for up to five consecutive years (each, 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 and, for greater certainty, all accrued and unpaid (including deferred, as applicable) interest shall be due and payable on the Maturity Date or any date fixed for redemption, as applicable. See "*Description of the Notes – Deferral Period*".

This Prospectus Supplement, together with the Prospectus, also qualifies the distribution of ● Cumulative Redeemable Fixed-to-Fixed Rate Class A Preferred Shares, Series 2021-A of the Corporation (the "**Series 2021-A Preferred Shares**" and, together with the Notes, the "**Securities**"), at a price of $1,000 per Series 2021-A Preferred Share. The Series 2021-A Preferred Shares will be issued to the Holding Trust Trustee (as defined herein), in its capacity as trustee for the Holding Trust (as defined herein), on or prior to the Closing Date in connection with the issuance of the Notes. The purchase price to be paid by the Holding Trust for the Series 2021-A Preferred Shares will be satisfied with a cash amount received by the Holding Trust in connection with a contribution by the Corporation to the Holding Trust, which is expected to occur on or prior to the Closing Date. The Series 2021-A Preferred Shares will not be offered to prospective investors. See "*Description of the Series 2021-A Preferred Shares*".

If an Automatic Delivery Event (as defined herein) occurs, the holders of the Notes (the "**Noteholders**") will, subject to certain exceptions, be entitled to receive the Series 2021-A Preferred Shares and any other Holding Trust Assets (as defined herein) in respect of the Notes (the time of the delivery of the Holding Trust Assets in respect of the Notes to the Noteholders is referred to herein as, the "**Delivery Time**"). At the Delivery Time, the Holding Trust Assets in respect of the Notes are expected to be comprised solely of the Series 2021-A Preferred Shares. At the Delivery Time, upon such delivery, the Notes shall be immediately and automatically surrendered and cancelled, without any 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 the Corporation shall automatically cease. At the Delivery Time, each Noteholder will receive one Series 2021-A Preferred Share for each $1,000 principal amount of Notes held immediately prior to the Delivery Time, as well as such Noteholder's proportionate share of any Holding Trust Assets in respect of the Notes not being Series 2021-A Preferred Shares. Following the Delivery Time, each such Series 2021-A Preferred Share shall have a redemption price and a participation upon liquidation amount equal to $1,000, together with all accrued and unpaid dividends on such Series 2021-A Preferred Share. The amount of any accrued and unpaid (including deferred, as applicable) interest on the Notes, if any, as at the Delivery Time will be the amount of an accrued and unpaid dividend as at the Delivery Time. At the Delivery Time, the recourse of each Noteholder will be limited to such Noteholder's proportionate share of the Holding Trust Assets in respect of the Notes, and, upon delivery of such Holding Trust Assets, all claims of the Noteholders against the Corporation under the Notes will be extinguished. As the events that give rise to an Automatic Delivery Event are bankruptcy and related events, it is in the Corporation's interest to ensure that an Automatic Delivery Event does not occur, although the events that could give rise to an Automatic Delivery Event may be beyond the Corporation's control. See "*Description of the Notes*" and "*Description of the Series 2021-A Preferred Shares*".

The Corporation may, at its option, redeem the Notes, in whole at any time or in part from time to time, at a redemption price equal to 100% of the principal amount thereof: (a) from October ●, 2030 to January ●, 2031; and (b) thereafter, on any Interest Payment Date or any Interest Reset Date, as applicable, in each case together with accrued and unpaid (including deferred, as applicable) interest to, but excluding, the date fixed for redemption. At any time on or within 90 days following the occurrence of a Tax Event (as defined herein), the Corporation may, at its 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 (including deferred, as applicable) interest to, but excluding, the date fixed for redemption. At any time on or within 90 days following the occurrence of a Rating Event (as defined herein), the Corporation may, at its 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 (including deferred, as applicable) interest to, but excluding, the date fixed for redemption. In the event of any redemption of the Notes, outstanding Series

2021-A Preferred Shares with an aggregate issue price equal to the aggregate principal amount of the Notes redeemed will, subject to certain exceptions, be automatically redeemed. See "*Description of the Notes – Redemption of the Notes – Optional Redemption*", "*Description of the Notes – Redemption of the Notes – Redemption on Tax Event or Rating Event*" and "*Description of the Series 2021-A Preferred Shares – Redemption of the Series 2021-A Preferred Shares*".

Except to the extent there is a Series 2021-A Preferred Share Special Event Redemption (as defined herein), the Series 2021-A Preferred Shares will not be redeemable by the Corporation prior to October ●, 2030. Subject to the provisions of the Series 2021-A Preferred Shares, the Corporation may, at its option, redeem all or any part of the outstanding Series 2021-A Preferred Shares: (a) from October ●, 2030 to January ●, 2031; and (b) thereafter, on any Dividend Payment Date (as defined herein) or any Dividend Rate Reset Date (as defined herein), as applicable, for the applicable Series 2021-A Preferred Shares Redemption Price (as defined herein) (less any tax required to be deducted or withheld by the Corporation). In the event of any redemption of the Series 2021-A Preferred Shares, outstanding Notes with an aggregate principal amount equal to the aggregate issue price of the Series 2021-A Preferred Shares redeemed will be automatically redeemed. See "*Description of the Series 2021-A Preferred Shares – Redemption of the Series 2021-A Preferred Shares*" and "*Description of the Notes – Redemption of the Notes – Mandatory Redemption Upon Redemption of the Series 2021-A Preferred Shares*".

The terms of the offering of the Notes were determined by negotiations among the Corporation and ● and ● (together, the "**Joint Lead Underwriters**"), on their own behalf and on behalf of ●, ●, ● and ● (collectively with the Joint Lead Underwriters, the "**Underwriters**"). The Underwriters, as principals, conditionally offer the Notes, subject to prior sale, if, as and when issued, sold and delivered by the Corporation to, and accepted by, the Underwriters, in accordance with the terms and conditions contained in the Underwriting Agreement (as defined herein) and subject to the approval of certain legal matters on behalf of Pembina by Blake, Cassels & Graydon LLP and on behalf of the Underwriters by Stikeman Elliott LLP. See "*Plan of Distribution*".

No underwriter or agent has been involved in the issuance and sale of the Series 2021-A Preferred Shares to the Holding Trust.

	Price: $1,000 per $1,000 Principal Amount		
	Price to the Public	**Underwriting Fee[(1)]**	**Net Proceeds to the Corporation[(2)]**
Per Note	●%	●%	●%
Total	$●	$●	$●

(1) Upon closing of the offering of the Notes, the Corporation will pay the Underwriters a cash commission equal to ●% of the aggregate principal amount of the Notes. See "*Plan of Distribution*".

(2) Before deducting expenses of the offering of the Notes estimated to be $●, which will be paid from the general funds of the Corporation and/or the proceeds of the offering of the Notes or a combination thereof. See "*Plan of Distribution*" and "*Use of Proceeds"*.

An investment in the Notes (and Series 2021-A Preferred Shares upon delivery of the Holding Trust Assets in respect of the Notes following the occurrence of an Automatic Delivery Event) involves certain risks that should be considered by a prospective purchaser. In particular, neither the Notes nor the Series 2021-A Preferred Shares will be listed on any securities exchange or on any automated dealer quotation system, nor does the Corporation have any obligation to list the Notes or the Series 2021-A Preferred Shares on any securities exchange or on any automated dealer quotation system. Accordingly, there is no market through which the Securities may be sold and purchasers of Notes may not be able to resell Notes purchased under this Prospectus Supplement or any Series 2021-A Preferred Shares acquired following an Automatic Delivery Event. The foregoing may affect the pricing of the Securities in the secondary market, the transparency and availability of trading prices, the liquidity of the Securities and the extent of issuer regulation. See "*Risk Factors*" beginning on page S-34 of this Prospectus Supplement and page 16 of the Prospectus.

Each of ●, ● and ● is a subsidiary or affiliate of one of the Corporation's and/or its affiliates' lenders. Accordingly, pursuant to applicable securities legislation, the Corporation may be considered a "connected issuer" of such Underwriters. A portion of the net proceeds from the offering of the Notes may be used to reduce the indebtedness of the Corporation to such lenders. See "*Relationship Among the Corporation and Certain Underwriters*" and "*Use of Proceeds*".

Owning the Notes may subject you to tax consequences. This Prospectus Supplement may not describe these tax consequences fully. You should read the tax discussion under "*Canadian Federal Income Tax Considerations*" and "*Eligibility for Investment*" in this Prospectus Supplement and consult your own tax advisor with respect to your particular circumstances.

Subscriptions for the Notes will be received, subject to rejection or allotment, in whole or in part, and the right is reserved to close the subscription books at any time without notice. It is expected that the Closing Date will take place on or about January ●, 2021, or such other date as may be agreed upon by the Underwriters and the Corporation, but not later than January ●, 2021.

Book-entry only certificates (in physical or electronic form) representing the Notes will be issued in registered form to CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee and will be deposited with CDS or its nominee on the Closing Date. A purchaser of Notes will receive only a customer confirmation from a registered dealer which is a participant in the depository service of CDS and from or through which the Notes are purchased. See "*Description of the Notes – Form of Notes*" and "*Description of Securities – Debt Securities – Registration of Debt Securities – Debt Securities in Book – Entry Form*" in the Prospectus.

Subject to applicable law, in connection with the offering of the Notes, the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the Notes at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. **The Underwriters propose to offer the Notes initially at the offering price specified above. After reasonable effort has been made to sell all of the Notes at the price specified, the Underwriters may reduce the selling price to investors from time to time in order to sell any of the Notes remaining unsold. Any such reduction will not affect the proceeds received by the Corporation. See "*Plan of Distribution*".**

Words importing the singular number include the plural and vice versa, and words importing any gender include all genders. All references in this Prospectus Supplement to "Canada" mean Canada, its provinces, its territories, its possessions and all areas subject to its jurisdiction, and all references to "$" or "Canadian dollars" mean the lawful currency of Canada. In this Prospectus Supplement, all references to "U.S." or "United States" mean the United States of America, its states, its territories, its possessions and all areas subject to its jurisdiction, and all references to "U.S.$", "U.S. dollars" or "United States dollars" mean the lawful currency of the United States. In this Prospectus Supplement, unless otherwise specified, all dollar amounts are expressed in Canadian dollars.

The Corporation's registered and head office is located at #4000, 585 – 8th Avenue S.W., Calgary, Alberta, T2P 1G1.

Prospectus Supplement

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IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS

This document consists of two parts. The first part of this document is this Prospectus Supplement, which describes the specific terms of the Securities that Pembina is qualifying for distribution and also adds to, and updates certain information contained in, the Prospectus and the documents incorporated by reference therein. The second part of this document is the Prospectus, which gives more general information, some of which may not apply to the Securities that Pembina is qualifying for distribution.

If the description of the Securities or any other information varies between this Prospectus Supplement, the Prospectus and the documents incorporated by reference therein, you should rely on the information in this Prospectus Supplement.

Pembina and the Underwriters have not authorized anyone to provide you with information other than that contained in this Prospectus Supplement or contained in, or incorporated by reference into, the Prospectus or to make any representations other than those contained in this Prospectus Supplement or contained in, or incorporated by reference into, the Prospectus. Pembina and the Underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you or any representation that others may make to you. Pembina is not, and the Underwriters are not, making an offer to sell the Securities in any jurisdiction where such offer or sale is not permitted. You should assume that the information in this Prospectus Supplement and the Prospectus, as well as the information in any document incorporated by reference into the Prospectus that Pembina previously filed with any securities commission or similar regulatory authority in Canada, is accurate only as of the respective dates of the applicable documents. Pembina's business, financial condition, results of operations and prospects may have changed since those dates. A prospective purchaser should carefully read this Prospectus Supplement and the Prospectus and the documents incorporated by reference therein and consult its own professional advisors to assess the risks associated with, and the income tax, legal, and other aspects of, an investment in the Notes (and Series 2021-A Preferred Shares upon delivery of the Holding Trust Assets in respect of the Notes following the occurrence of an Automatic Delivery Event).

This Prospectus Supplement is deemed to be incorporated by reference into the Prospectus solely for the purposes of qualifying the distribution of the Securities. Other documents are also incorporated, or deemed to be incorporated, by reference into the Prospectus. See "*Documents Incorporated by Reference*".

In this Prospectus Supplement, all capitalized terms used and not otherwise defined herein have the meanings ascribed thereto in the Prospectus.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this Prospectus Supplement, the Prospectus and certain documents incorporated by reference therein, constitute "forward-looking statements" within the meaning of the United States *Private Securities Litigation Reform Act of 1995* and "forward-looking information" within the meaning of applicable Canadian securities legislation (collectively, "**forward-looking statements**").

In addition to the following cautionary statement and the cautionary statement contained under "*Note Regarding Forward-Looking Statements*" in the Prospectus, with respect to forward-looking statements contained in the documents incorporated by reference into the Prospectus, prospective purchasers should refer to "*Forward-Looking Statements and Information*" in the AIF and "*Forward-Looking Statements & Information*" in the Annual MD&A and the Interim MD&A, as well as the advisories section of any documents incorporated by reference into the Prospectus that are filed after the date of this Prospectus Supplement and prior to the termination of the offering of the Notes.

All forward-looking statements are based on Pembina's current expectations, estimates, projections, beliefs and assumptions based on information available at the time the forward-looking statement was made and in light of Pembina's experience and its perception of historical trends. Forward-looking statements are typically identified by words such as "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "could", "would",

"believe", "plan", "intend", "design", "target", "undertake", "view", "indicate", "maintain", "explore", "entail", "forecast", "schedule", "objective", "strategy", "likely", "potential", "aim", "outlook", "propose", "goal" and similar expressions suggesting future events or future performance. In particular, this Prospectus Supplement contains forward-looking statements pertaining to: the anticipated use of proceeds of the offering of the Notes, referred to under "*Use of Proceeds*"; the Underwriters' plan of distribution, referred to under "*Plan of Distribution*"; the Corporation's intention to enter into the Indenture, as described under "*Description of the Notes*"; the Corporation's intention to enter into the Holding Trust Declaration of Trust, the Indemnity Agreement and the Administration Agreement, as described under "*Description of the Notes – Automatic Delivery Event*"; the Corporation's intention regarding its contribution to the Holding Trust to fund the purchase price for the Series 2021-A Preferred Shares, as described under "*Use of Proceeds*"; the Corporation's expectation regarding the composition of the Holding Trust Assets in respect of the Notes at the Delivery Time, as described under "*Description of the Notes – Automatic Delivery Event*"; the effect of developments in Pembina's business on the point of sale for hydrocarbons produced in the Western Canadian Sedimentary Basin and other basins where Pembina operates; and Pembina's intentions with respect to the redemption or purchase of Notes, as described under "*Description of the Notes – Redemption of the Notes – Optional Redemption*". In addition, the Prospectus incorporates by reference forward-looking statements pertaining to Pembina's future plans, growth projects, business strategies and expected results from future operations.

Various factors or assumptions are typically applied by Pembina in drawing conclusions or making the forecasts, projections, predictions or estimations set out in forward-looking statements based on information currently available to Pembina at the time such forward-looking statements are made, including those factors and assumptions described under the heading "*Forward-Looking Statements and Information*" in the AIF and "*Forward-Looking Statements & Information*" in the Annual MD&A and the Interim MD&A. Pembina believes that the expectations reflected in the forward-looking statements included in this Prospectus Supplement and those included in, or incorporated by reference into, the Prospectus are reasonable, in each case, as at the time that such statements were made, but no assurance can be given that these expectations will prove to be correct and the forward-looking statements included in this Prospectus Supplement or included in, or incorporated by reference into, the Prospectus should not be unduly relied upon.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These known and unknown risks and uncertainties and other factors include, but are not limited to, the risk factors described under "*Risk Factors*" in this Prospectus Supplement, "*Risk Factors*" in the Prospectus and "*Risk Factors*" in the AIF, the Annual MD&A and the Interim MD&A, as well as the other risk factors described in any documents incorporated by reference into the Prospectus that are filed after the date hereof and prior to the termination of the offering of the Notes. These factors should not, however, be construed as exhaustive.

The forward-looking statements contained herein or contained in, or incorporated by reference into, the Prospectus are, in each case, made as of the date of this Prospectus Supplement or as of the date of the document in which they are contained, as applicable. Unless required by law, Pembina does not undertake any obligation to publicly update or revise such forward-looking statements, whether as a result of new information, future events or otherwise. Any forward-looking statements contained herein or contained in, or incorporated by reference into, the Prospectus are expressly qualified by this cautionary statement.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference into the Prospectus from documents filed with securities commissions or similar authorities in each of the provinces of Canada. Copies of the documents incorporated by reference into the Prospectus may be obtained on request without charge from the Corporate Secretary of Pembina at #4000, 585 – 8th Avenue S.W., Calgary, Alberta, T2P 1G1, Telephone (403) 231-7500. These documents are also available through the internet on the System for Electronic Document Analysis and Retrieval (SEDAR), which can be accessed at www.sedar.com.

This Prospectus Supplement is deemed to be incorporated by reference into the Prospectus solely for the purposes of qualifying the distribution of the Securities.

The following documents filed by Pembina, with the securities commissions or similar authorities in each of the provinces of Canada, are specifically incorporated by reference in, and form an integral part of, the Prospectus, provided that such documents are not incorporated by reference therein to the extent that their contents are modified or superseded by a statement contained in this Prospectus Supplement, the Prospectus or in any other subsequently filed document that is also incorporated by reference into the Prospectus:

(a) the annual information form of Pembina dated February 27, 2020 for the year ended December 31, 2019 (the "**AIF**");

(b) the audited annual consolidated financial statements of Pembina as at and for the years ended December 31, 2019 and December 31, 2018, together with the notes thereto and the auditors' report thereon (the "**Annual Financial Statements**");

(c) the management's discussion and analysis of the financial and operating results of Pembina for the year ended December 31, 2019 (the "**Annual MD&A**");

(d) the management information circular of Pembina dated March 19, 2020 relating to the annual meeting of holders (the "**Shareholders**") of Common Shares of Pembina ("**Common Shares**") held on May 8, 2020;

(e) the unaudited interim condensed consolidated financial statements of Pembina as at and for the three and nine months ended September 30, 2020 (the "**Interim Financial Statements**");

(f) the management's discussion and analysis of the financial and operating results of Pembina for the three and nine months ended September 30, 2020 (the "**Interim MD&A**");

(g) the template version of the preliminary term sheet dated January ●, 2021 (the "**Preliminary Term Sheet**") prepared for potential purchasers in connection with the offering of the Notes; and

(h) the template version of the final term sheet dated January ●, 2021 (the "**Final Term Sheet**") prepared for potential purchasers in connection with the offering of the Notes.

The Preliminary Term Sheet is not a part of this Prospectus Supplement to the extent that the contents of the Preliminary Term Sheet have been modified or superseded by a statement contained in this Prospectus Supplement. In addition, any statement contained in the Preliminary Term Sheet is modified or superseded to the extent that a statement contained in the Final Term Sheet modifies or supersedes such prior statement.

The Preliminary Term Sheet did not include a number of terms of the offering of the Notes. The terms of the offering of the Notes have been confirmed to reflect:

(a) $● aggregate principal amount of Notes offered hereby;

(b) ● Series 2021-A Preferred Shares offered hereby;

(c) a price to the public of $● per $1,000 principal amount of Notes;

(d) that from, and including, the Closing Date to, but excluding, January ●, 2031, the interest rate on the Notes will be fixed at a rate of ●% per annum; and

(e) that from, and including, January ●, 2031 and on every Interest Reset Date, the interest rate on the Notes will reset for the Subsequent Fixed Rate Period at a rate per annum equal to the Five Year Government of Canada Yield as of the most recent Interest Reset Determination Date, plus: (i) for the period from, and including, January ●, 2031 to, but excluding, January ●, 2051, ●%; and (ii) for the period from, and including, January ●, 2051 to, but excluding, the Maturity Date, ●%, in each case, to be reset on each Interest Reset Date.

Pursuant to applicable securities laws, the Corporation has prepared the Final Term Sheet to reflect the modifications to the Preliminary Term Sheet described above, together with a blackline indicating the changes thereto from the Preliminary Term Sheet. A copy of the Final Term Sheet and associated blackline can be viewed under the Corporation's profile on www.sedar.com.

Any documents of the type required by National Instrument 44-101 – *Short Form Prospectus Distributions* ("**NI 44-101**") to be incorporated by reference into a short form prospectus, including any material change reports (excluding material change reports filed on a confidential basis), interim financial reports, annual financial statements and the auditors' reports thereon, management's discussion and analysis of financial condition and results of operations, information circulars, annual information forms and business acquisition reports, as well as all prospectus supplements disclosing additional or updated information relating to the offering of the Securities filed by the Corporation with the securities commissions or similar authorities in each of the provinces of Canada subsequent to the date of this Prospectus Supplement and prior to the termination of the offering of the Notes, shall be deemed to be incorporated by reference into the Prospectus. These documents will be available through the internet on SEDAR, which can be accessed at www.sedar.com.

Any statement contained in this Prospectus Supplement or in the Prospectus, or in any other document (or part thereof) incorporated, or deemed to be incorporated, by reference therein, shall be deemed to be modified or superseded, for the purposes of this Prospectus Supplement, to the extent that a statement contained herein or therein, or in any other subsequently filed document (or part thereof) which also is, or is deemed to be, incorporated by reference therein, 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 out in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not 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 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.

MARKETING MATERIALS

"Template versions" of the "marketing materials" (as such terms are defined in National Instrument 41-101 – *General Prospectus Requirements*), for this offering are incorporated by reference into this Prospectus Supplement, but are not part of this Prospectus Supplement to the extent that their contents have been modified or superseded by a statement contained in this Prospectus Supplement. 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.

PEMBINA PIPELINE CORPORATION

Pembina is a leading transportation and midstream service provider that has been serving North America's energy industry for more than 65 years. Pembina owns an integrated system of pipelines that transport various hydrocarbon liquids and natural gas products produced primarily in western Canada. The Corporation also owns gas gathering and processing facilities; owns an oil and natural gas liquids infrastructure and logistics business; and is growing an export terminals business. Pembina's integrated assets and commercial operations along the majority of the hydrocarbon value chain allow it to offer a full spectrum of midstream and marketing services to the energy sector. Pembina is committed to identifying additional opportunities to connect hydrocarbon production to new demand locations through the development of infrastructure that would extend Pembina's service offering even further along the hydrocarbon value chain. These new developments will contribute to ensuring that hydrocarbons produced in the Western Canadian Sedimentary Basin and the other basins where Pembina operates can reach the highest value markets throughout the world. For a description of the business and operations of Pembina and its operating divisions, see "*Description of Pembina's Business and Operations*" in the AIF and "*Segment Results – Business Overview*" in the Annual MD&A and the Interim MD&A.

CONSOLIDATED CAPITALIZATION

The following table summarizes our consolidated capitalization as at September 30, 2020, both actual and as adjusted to give effect to the issuance of the Securities qualified by this Prospectus Supplement and our expected use of the net proceeds of the offering of the Notes as described under "*Use of Proceeds*". Other than the issuance of the Securities offered by this Prospectus Supplement, there has been no material change in the share and loan capital of the Corporation, on a consolidated basis, since September 30, 2020. You should read this table together with the Annual Financial Statements and the Interim Financial Statements, which are incorporated by reference into the Prospectus.

All United States dollar amounts in the following table have been converted to Canadian dollars using the daily average exchange rate for United States dollars per Canadian dollar, as reported by the Bank of Canada on September 30, 2020 of U.S.$0.7497 per $1.00.

Designation ($ millions, unless otherwise noted)	**Authorized[3]**	**As at September 30, 2020 (Actual)**	**As at September 30, 2020 (Adjusted)**
Cash and cash equivalents	N/A	$31	$●
Common Shares[1]	Unlimited	$15,638	$15,638
Class A Preferred Shares[2][3][4]			
Series 1	$250	$250	$250
Series 3	$150	$150	$150
Series 5	$250	$250	$250
Series 7	$250	$250	$250
Series 9	$225	$225	$225
Series 11	$170	$170	$●[4]
Series 13	$250	$250	$●[4]
Series 15	$200	$200	$200
Series 17	$150	$150	$150
Series 19	$200	$200	$200
Series 21	$400	$400	$400
Series 23	$300	$300	$300
Series 25	$250	$250	$250
Senior Notes[5]			
Medium Term Notes, Series 1[6]	$250	$250	$250
Medium Term Notes, Series 2[6]	$450	$450	$450
Medium Term Notes, Series 3[6]	$450	$450	$450
Medium Term Notes, Series 4[6]	$600	$600	$600
Medium Term Notes, Series 5[6]	$450	$450	$450
Medium Term Notes, Series 6[6]	$500	$500	$500
Medium Term Notes, Series 7[6]	$600	$600	$600
Medium Term Notes, Series 8[6]	$650	$650	$650
Medium Term Notes, Series 9[6]	$550	$550	$550
Medium Term Notes, Series 10[6]	$650	$650	$650
Medium Term Notes, Series 11[6]	$800	$800	$800
Medium Term Notes, Series 12[6]	$650	$650	$650
Medium Term Notes, Series 13[6]	$700	$700	$700
Medium Term Notes, Series 14[6]	$600	$600	$600
Medium Term Notes, Series 15[6]	$600	$600	$600
Medium Term Notes, Series 16[6]	$400	$400	$400
Medium Term Notes, Series 3A[7]	$50	$50	$50
Medium Term Notes, Series 5A[7]	$350	$350	$350

Designation ($ millions, unless otherwise noted)	Authorized[3]	As at September 30, 2020 (Actual)	As at September 30, 2020 (Adjusted)
Bank Debt[5][8]	$4,153	$1,644	$●
Subordinated Notes			
Notes offered hereby[4]	$●	-	$●

Notes:

(1) As at January 8, 2021, the Corporation had 549,941,905 Common Shares and 21,774,735 options to purchase Common Shares ("**Options**") outstanding. The Options are held by employees of Pembina, of which 10,469,786 were exercisable as of such date. The Options have exercise prices ranging from $26.83 to $52.01 and expire from March 2021 to December 2027.

(2) For accounting purposes, the Series 2021-A Preferred Shares will be eliminated on the Corporation's consolidated balance sheet prior to an Automatic Delivery Event. Accordingly, after giving effect to this offering of the Securities, there will be no change in the consolidated capitalization of the Corporation as a result of the issuance of the Series 2021-A Preferred Shares as at September 30, 2020.

(3) The terms of the Class A Preferred Shares of Pembina (the "**Class A Preferred Shares**") provide that the number of Class A Preferred Shares which may be issued and outstanding at any time shall be limited to a maximum of 254,850,850. As at January 8, 2021, the Corporation had 10,000,000 Series 1 Class A Preferred Shares, 6,000,000 Series 3 Class A Preferred Shares, 10,000,000 Series 5 Class A Preferred Shares, 10,000,000 Series 7 Class A Preferred Shares, 9,000,000 Series 9 Class A Preferred Shares, 6,800,000 Series 11 Class A Preferred Shares, 10,000,000 Series 13 Class A Preferred Shares, 8,000,000 Series 15 Class A Preferred Shares, 6,000,000 Series 17 Class A Preferred Shares, 8,000,000 Series 19 Class A Preferred Shares, 16,000,000 Series 21 Class A Preferred Shares, 12,000,000 Series 23 Class A Preferred Shares and 10,000,000 Series 25 Class A Preferred Shares outstanding.

(4) No proceeds will be raised from the issuance of the Series 2021-A Preferred Shares pursuant to this Prospectus Supplement. The Corporation expects to use the net proceeds from the sale of the Notes to redeem or repurchase the Corporation's outstanding Cumulative Redeemable Minimum Rate Reset Class A Preferred Shares, Series 11 and its Cumulative Redeemable Minimum Rate Reset Class A Preferred Shares, Series 13, to repay other outstanding indebtedness, as well as for general corporate purposes. See "*Use of Proceeds*".

(5) All debt amounts as at January 8, 2021 represent the outstanding principal balances of such debt obligations.

(6) The Medium Term Notes, Series 1 were issued by Pembina on March 29, 2011 in the aggregate principal amount of $250 million of senior unsecured medium term notes, have a fixed interest rate of 4.89% per annum that is paid semi-annually and will mature on March 29, 2021. The Medium Term Notes, Series 2 were issued by Pembina on October 22, 2012 in the aggregate principal amount of $450 million of senior unsecured medium term notes, have a fixed interest rate of 3.77% per annum that is paid semi-annually and will mature on October 24, 2022. The Medium Term Notes, Series 3 were issued by Pembina on April 30, 2013, February 2, 2015 and June 16, 2015 in the aggregate principal amount of $200 million, $150 million and $100 million, respectively, of senior unsecured medium term notes, have a fixed interest rate of 4.75% per annum that is paid semi-annually and will mature on April 30, 2043. The Medium Term Notes, Series 4 were issued by Pembina on April 4, 2014 in the aggregate principal amount of $600 million senior unsecured medium term notes, have a fixed interest rate of 4.81% per annum that is paid semi-annually and will mature on March 25, 2044. The Medium Term Notes, Series 5 were issued by Pembina on February 2, 2015 in the aggregate principal amount of $450 million of senior unsecured medium term notes, have a fixed interest rate of 3.54% per annum that is paid semi-annually and will mature on February 3, 2025. The Medium Term Notes, Series 6 were issued by Pembina on June 16, 2015 in the aggregate principal amount of $500 million of senior unsecured medium term notes, have a fixed interest rate of 4.24% per annum that is paid semi-annually and will mature on June 15, 2027. The Medium Term Notes, Series 7 (the "**Series 7 MTNs**") were issued by Pembina on August 11, 2016 and May 28, 2020 in the aggregate principal amount of $500 million and $100 million, respectively, of senior unsecured medium term notes, have a fixed interest rate of 3.71% per annum that is paid semi-annually and will mature on August 11, 2026. The Medium Term Notes, Series 8 were issued by Pembina on January 20, 2017 and August 16, 2017 in the aggregate principal amount of $300 million and $350 million, respectively, of senior unsecured medium term notes, have a fixed interest rate of 2.99% per annum that is paid semi-annually and will mature on January 22, 2024. The Medium Term Notes, Series 9 were issued by Pembina on January 20, 2017 and August 16, 2017 in the aggregate principal amount of $300 million and $250 million, respectively of senior unsecured medium term notes, have a fixed interest rate of 4.74% per annum that is paid semi-annually and will mature on January 21, 2047. The Medium Term Notes, Series 10 (the "**Series 10 MTNs**") were issued by Pembina on March 26, 2018 and January 10, 2020 in the aggregate principal amount of $400 million and $250 million, respectively of senior unsecured medium term notes, have a fixed interest rate of 4.02% per annum that is paid semi-annually and will mature on March 27, 2028. The Medium Term Notes, Series 11 (the "**Series 11 MTNs**") were issued by Pembina on March 26, 2018 and January 10, 2020 in the aggregate principal amount of $300 million and $500 million, respectively, of senior unsecured medium term notes, have a fixed interest rate of 4.75% per annum that is paid semi-annually and will mature on March 26, 2048. The Medium Term Notes, Series 12 (the "**Series 12 MTNs**") were issued by Pembina on April 3, 2019 and January 10, 2020 in the aggregate principal amount of $400 million and $250 million, respectively, of senior unsecured medium term notes, have a fixed interest rate of 3.62% per annum that is paid semi-annually and will mature on April 3, 2029. The Medium Term Notes, Series 13 were issued by Pembina on April 3, 2019 and September 12, 2019 in the aggregate principal amount of $400 million and $300 million, respectively, of senior unsecured medium term notes, have a fixed interest rate of 4.54% per annum that is paid semi-annually and will mature on April 3, 2049. The Medium Term Notes, Series 14 were issued by Pembina on September 12, 2019 in the aggregate principal amount of $600 million of senior unsecured medium term notes, have a fixed interest rate of 2.56% per annum that is paid semi-annually and will mature on June 1, 2023. The Medium Term Notes, Series 15 were issued by Pembina on September 12, 2019 in the aggregate principal amount of $600 million of senior unsecured medium term notes, have a fixed interest rate of 3.31% per annum that is paid semi-annually and will mature on February 1, 2030. The Medium Term Notes, Series 16 (the "**Series 16 MTNs**") were issued by Pembina on May 28, 2020 in the aggregate principal amount of $400 million senior unsecured medium term notes, have a fixed interest rate of 4.67% per annum that is paid semi-annually and will mature on May 28, 2050.

(7) The Medium Term Notes, Series 3A were issued by Veresen Inc. ("**Veresen**") on March 14, 2012 in the aggregate principal amount of $50 million of senior unsecured medium term notes, have a fixed interest rate of 5.05% per annum that is paid semi-annually and will mature on March 14, 2022. The Medium Term Notes, Series 5A were issued by Veresen on November 10, 2016 in the aggregate principal amount

of $350 million of senior unsecured medium term notes, have a fixed interest rate of 3.43% per annum that is paid semi-annually and will mature on November 10, 2021.

(8) Pembina's credit facilities as at September 30, 2020 consisted of an unsecured $2.5 billion revolving credit facility (the "**Revolving Credit Facility**"), which includes a $750 million accordion feature, due May 31, 2024, and an unsecured operating facility of $20 million due May 31, 2021 (the "**Operating Credit Facility**", and together with the Revolving Credit Facility, the "**Credit Facilities**"). There are no repayments due over the term of the Credit Facilities. As at September 30, 2020, Pembina also had a $500 million term loan (the "**Term Loan**") for an initial three-year term that is pre-payable at the Corporation's option. The other terms and conditions of the Term Loan, including financial covenants, are substantially similar to the Revolving Credit Facility. As at September 30, 2020, Pembina also had a $800 million unsecured revolving credit facility (the "**Additional Credit Facility**"), which has an initial term of two years. The other terms and conditions of the Additional Credit Facility, including financial covenants, are substantially similar to the Revolving Credit Facility. In addition, as at September 30, 2020, Pembina had an unsecured U.S.$250 million non-revolving term loan (the "**Additional Term Loan**"), which has an initial term of five years. The other terms and conditions of the Additional Term Loan, including financial covenants, are substantially similar to the Revolving Credit Facility. As at January 8, 2021, Pembina had $1.5 billion drawn on bank facilities, leaving $2.6 billion of unutilized debt facilities.

USE OF PROCEEDS

The net proceeds to the Corporation from the sale of the Notes are estimated to be $●, after deducting the Underwriting Fee of $● and the estimated expenses of the offering of the Notes of $●. The Corporation expects to use the net proceeds from the sale of the Notes to redeem or repurchase the Corporation's outstanding Cumulative Redeemable Minimum Rate Reset Class A Preferred Shares, Series 11 and its Cumulative Redeemable Minimum Rate Reset Class A Preferred Shares, Series 13, to repay other outstanding indebtedness, as well as for general corporate purposes.

Should the Corporation not immediately require the net proceeds of the offering of the Notes in connection with the above stated uses, it may either invest such funds in short-term marketable debt securities or temporarily reduce short-term indebtedness.

The Corporation's overall corporate strategy and major initiatives supporting its strategy are summarized in the Annual MD&A and the Interim MD&A.

While the Corporation intends to use the net proceeds of the offering of the Notes as stated above, there may be circumstances that are not known at this time where a reallocation of the net proceeds may be advisable for business reasons that management or the board of directors of the Corporation (the "**Board of Directors**") believe are in the Corporation's best interests.

The purchase price payable by the Holding Trust for the Series 2021-A Preferred Shares (which is $1,000 per Series 2021-A Preferred Share for an aggregate purchase price of $●) shall be satisfied with a cash amount received by the Holding Trust in connection with a contribution by the Corporation to the Holding Trust, which is expected to occur on or prior to the Closing Date. As a result, no proceeds will be raised by the Corporation from the issuance of the Series 2021-A Preferred Shares pursuant to this Prospectus Supplement.

EARNINGS COVERAGE RATIOS

The following consolidated earnings coverage ratios of the Corporation have been prepared and included in this Prospectus Supplement in accordance with disclosure requirements under Canadian securities legislation and have been calculated for the twelve month period ended December 31, 2019, based on audited financial information, and for the twelve month period ended September 30, 2020, based on unaudited financial information. The earnings coverage ratios set out below do not purport to be indicative of earnings coverage ratios for any future periods. The Corporation's earnings coverage ratio for the twelve month period ended December 31, 2019 has been adjusted to give effect to: (a) the issuance and sale of the Securities and our expected use of the net proceeds of the offering of the Notes as described under "*Use of Proceeds*", as if such transactions had occurred and the proceeds used on January 1, 2019; (b) the issuance by the Corporation of $250 million aggregate principal amount, through a re-opening, of Series 10 MTNs on January 10, 2020, $500 million aggregate principal amount, through a re-opening, of Series 11 MTNs on January 10, 2020, $250 million aggregate principal amount, through a re-opening, of Series 12 MTNs on January 10, 2020, $400 million aggregate principal amount of Series 16 MTNs on May 28, 2020, $100 million aggregate principal amount, through a re-opening, of Series 7 MTNs on May 28, 2020, and, in each case, the use of proceeds therefrom, as if such Series 10 MTNs, Series 11 MTNs, Series 12 MTNs, Series 16 MTNs and Series 7 MTNs were issued and the proceeds used on January 1, 2019 (collectively, the "**Financings**"); and (c) the repayment at maturity

of Pembina's $73 million senior unsecured notes, Series A on May 4, 2020 and the repayment through early redemption of Pembina's $200 million senior unsecured notes, Series C on July 10, 2020, as if such repayments had occurred on January 1, 2019 (together, the "**Repayments**"). The Corporation's earnings coverage ratio for the twelve month period ended September 30, 2020 has been adjusted to give effect to the issuance and sale of the Securities and our expected use of the net proceeds of the offering of the Notes as described under "*Use of Proceeds*", as if such transactions had occurred and the proceeds used on October 1, 2019.

	Twelve Months Ended December 31, 2019	Twelve Months Ended September 30, 2020
Earnings coverage ratio[(1)]	●x	●x

Note:

(1) Earnings coverage is equal to profit attributable to the Shareholders before borrowing costs and income taxes divided by borrowing costs (including capitalized costs) and dividend obligations on the Class A Preferred Shares.

Pembina's dividend requirements on all of its Class A Preferred Shares, adjusted to a before-tax equivalent, amounted to $● million for the twelve month period ended December 31, 2019, using an effective income tax rate of ●%, and $● million for the twelve month period ended September 30, 2020, using an effective income tax rate of ●%. The Corporation's adjusted interest expense requirements amounted to approximately $● million for the twelve month period ended December 31, 2019 and approximately $● million for the twelve month period ended September 30, 2020. The amounts for the twelve month period ended December 31, 2019 have been adjusted to reflect: (a) the issuance and sale of the Securities and our expected use of the net proceeds of the offering of the Notes as described under "*Use of Proceeds*"; (b) the Financings; and (c) the Repayments, as if each such transaction had occurred on January 1, 2019. The amounts for the twelve month period ended September 30, 2020 have been adjusted to reflect the issuance and sale of the Securities and our expected use of the net proceeds of the offering of the Notes as described under "*Use of Proceeds*", as if each such transaction had occurred on October 1, 2019. Pembina's profit or loss attributable to the Shareholders before adjusted interest expense and income tax for the twelve month period ended December 31, 2019 was $● million and for the twelve month period ended September 30, 2020 was $● million, which are ● times and ● times Pembina's aggregate dividend and interest expense requirements (adjusted, as described above, for the twelve month period ended December 31, 2019 and for the twelve month period ended September 30, 2020) for such periods, respectively.

PRIOR SALES

There have been no issuances by the Corporation of the Securities during the twelve month period prior to the date of this Prospectus Supplement.

DESCRIPTION OF THE NOTES

The Notes will be issued as a series of subordinated debt securities under an indenture to be dated as of the Closing Date (as amended, modified, supplemented or restated by one or more indentures supplemental thereto from time to time, the "**Indenture**"), between the Corporation and Computershare Trust Company of Canada, as trustee (the "**Indenture Trustee**"). The following summary of certain provisions of the Indenture does not purport to be complete and is qualified in its entirety by reference to the complete text of the Indenture. The following description of the Notes will apply to each Note offered hereunder. A copy of the Indenture will be available on SEDAR at www.sedar.com.

General

The Notes will be issued as a series of subordinated debt securities under the Indenture. Although certain of the Corporation's existing financing arrangements limit the Corporation's ability to create, issue or incur additional indebtedness, neither the Corporation nor its subsidiaries will be subject to any such restrictions under the Indenture. As such, there is no limit on the amount of subordinated debt securities that the Corporation may issue pursuant to the Indenture.

The Notes will be direct unsecured debt obligations constituting Subordinated Indebtedness (as defined herein) of the Corporation and, accordingly, in the event of a liquidation, dissolution or winding-up of the Corporation, the payment of principal and interest on, and the applicable redemption price for, the Notes, as provided in the Indenture, will be subordinated in right of payment to the prior payment in full of all Senior Indebtedness of the Corporation then outstanding. At the Delivery Time, the recourse of each Noteholder will be limited to such Noteholder's proportionate share of the Holding Trust Assets in respect of the Notes, and, upon delivery of such Holding Trust Assets, all claims of the Noteholders against the Corporation under the Notes will be extinguished. Following the Delivery Time, the priority of the Notes described above will not be relevant, as Noteholders will become Series 2021-A Preferred Shareholders and the Series 2021-A Preferred Shares held by such Series 2021-A Preferred Shareholders will rank on parity with all other issued and outstanding Class A Preferred Shares. See "*Description of the Notes – Automatic Delivery Event*" and "*Description of the Series 2021-A Preferred Shares*".

The Notes are not entitled to the benefits of any sinking fund.

Form of Notes

The Notes will be issued in "book-entry only" form and must be purchased or transferred through participants in the depository service of CDS. See "*Description of Securities – Debt Securities – Registration of Debt Securities – Debt Securities in Book-Entry Form*" in the Prospectus.

Payment of Interest and Maturity of the Notes

The Corporation will pay interest on the Notes in equal (subject to the reset of the interest rate as described herein) semi-annual installments on each Interest Payment Date, payable in arrears, with the first payment on July ●, 2021. From, and including, the Closing Date to, but excluding, January ●, 2031, the Notes will bear interest at a rate of ●% per annum, with the first payment being $● per $1,000 principal amount of Notes.

From, and including, January ●, 2031, and on every Interest Reset Date, the interest rate on the Notes will reset for the Subsequent Fixed Rate Period at a rate per annum equal to the Five Year Government of Canada Yield as of the most recent Interest Reset Determination Date, plus: (a) for the period from, and including, January ●, 2031 to, but excluding, January ●, 2051, ●%; and (b) for the period from, and including, January ●, 2051 to, but excluding, the Maturity Date, ●%, in each case, to be reset by the Indenture Trustee, as calculation agent, on each Interest Reset Date.

The Notes will mature on January ●, 2081.

The Corporation's obligation to pay interest on the Notes is subject to its right to defer interest. See "*Description of the Notes – Deferral Period*".

Interest for each period between Interest Payment Dates will be calculated on the basis of equal semi-annual payments when calculating amounts due on any Interest Payment Date and the actual number of days elapsed and a 365-day year when calculating accruals during any partial interest period.

Interest payments will be made to the persons or entities in whose names the Notes are registered at the close of business on the record date relating to the relevant Interest Payment Date, which shall be the date that is five Business Days immediately preceding the applicable Interest Payment Date.

The principal of, interest on, and any redemption price of, the Notes will be paid in Canadian dollars.

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. In addition, if a redemption date or the Maturity Date of the Notes falls on a day that is not a Business Day, the payment of any amounts owing in respect of the Notes 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, as applicable.

For these purposes:

"**Bloomberg Screen GCAN5YR Page**" means the display designated as page "GCAN5YR<INDEX>" on the Bloomberg Financial L.P. service (or such other page as may replace the GCAN5YR page on that service for purposes of displaying Government of Canada bond yields).

"**Business Day**" means a day other than a Saturday, Sunday or other day on which banking institutions in the Province of Alberta or the Province of Ontario are authorized or required by law to close.

"**Five Year Government of Canada Yield**" means, as at any Interest Reset Determination Date for a Subsequent Fixed Rate Period, the bid yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and which appears on the Bloomberg Screen GCAN5YR Page on such date, provided that, if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, "Five Year Government of Canada Yield" means the average of the yields determined by two registered Canadian investment dealers (each of which is a member of the Investment Industry Regulatory Organization of Canada), selected by the Corporation, as being the yield to maturity (assuming semi-annual compounding) on such date at or about 10:00 am (Toronto time) which a Canadian dollar denominated non-callable Government of Canada bond would carry if issued in Canadian dollars at 100% of its principal amount on such date with a term to maturity of five years.

"**Interest Reset Determination Date**" means, for any Subsequent Fixed Rate Period, the date that is one Business Day prior to the first day of such Subsequent Fixed Rate Period.

"**Subsequent Fixed Rate Period**" means the period from, and including, the initial Interest Reset Date to, but excluding, the next Interest Reset Date and each five-year period thereafter from, and including, the most recent Interest Reset Date to, but excluding, the next Interest Reset Date (or the Maturity Date, as applicable).

Specified Denomination

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

Deferral Period

So long as no Event of Default has occurred and is continuing, the Corporation may elect, at its option, on any date other than an Interest Payment Date, to defer the interest payable on the Notes on one or more occasions for up to five consecutive years. 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 or 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 the Corporation pays all accrued and unpaid (including deferred, as applicable) interest on such date. No Deferral Period may extend beyond the Maturity Date and, for greater certainty, all accrued and unpaid (including deferred, as applicable) interest shall be due and payable on the Maturity Date or any date fixed for redemption, as applicable.

Dividend Stopper Undertaking

Unless the Corporation has paid all accrued and unpaid (including deferred, as applicable) interest on the Notes, the Corporation will not (the "**Dividend Stopper Undertaking**"):

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

- redeem, purchase or otherwise retire any Dividend Restricted Shares or Parity Notes; or

- make any payment to holders of, or in respect 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.

For these purposes:

> "**Dividend Restricted Shares**" means, collectively, the Common Shares, the Class A Preferred Shares and the Class B Preferred Shares.
>
> "**Parity Notes**" means any class or series of indebtedness of the Corporation currently outstanding or hereafter created which ranks on a parity with the Notes as to distributions upon liquidation, dissolution or winding-up.

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

Automatic Delivery Event

If an Automatic Delivery Event occurs, Noteholders will, subject to certain exceptions, be entitled to receive the Series 2021-A Preferred Shares and any other applicable assets held by Computershare Trust Company of Canada, as trustee (the "**Holding Trust Trustee**") of Pembina Hybrid Trust (the "**Holding Trust**"), at the time of such Automatic Delivery Event in respect of the Notes (the assets, including the Series 2021-A Preferred Shares, held by the Holding Trust Trustee, in its capacity as trustee for the Holding Trust, are referred to herein collectively as, the "**Holding Trust Assets**"). At the Delivery Time, the Holding Trust Assets in respect of the Notes are expected to be comprised solely of the Series 2021-A Preferred Shares.

The Holding Trust will be a trust to be established by the Corporation pursuant to a declaration of trust to be dated on or prior to the Closing Date (as may be amended, modified, supplemented or restated from time to time, the "**Holding Trust Declaration of Trust**") between the Corporation, as settlor, and the Holding Trust Trustee, as trustee. The Holding Trust's objective will be to acquire, hold and deliver the Holding Trust Assets in accordance with and subject to the terms of the Holding Trust Declaration of Trust.

The Holding Trust Assets in respect of the Notes to be held by the Holding Trust Trustee, in its capacity as trustee for the Holding Trust, may only be comprised of: (a) the Series 2021-A Preferred Shares (or cash in the amount of the subscription price for the Series 2021-A Preferred Shares provided by the Corporation, which is to be used by the Holding Trust Trustee to subscribe for such Series 2021-A Preferred Shares); (b) cash from the redemption, or the purchase by the Corporation for cancellation, of such Series 2021-A Preferred Shares; (c) interest earned on such Holding Trust Assets; or (d) any combination thereof, depending on the circumstances. The Holding Trust Trustee may hold Holding Trust Assets in respect of more than one series of subordinated notes issued by the Corporation, in which case the Holding Trust Trustee will hold such Holding Trust Assets for each such series of subordinated notes (including the Notes) separate from the Holding Trust Assets for any other series of such subordinated notes and shall deliver such Holding Trust Assets only in respect of the relevant series of such subordinated notes. On the Closing Date, the Holding Trust Assets in respect of the Notes are expected to consist of ● Series 2021-A Preferred Shares.

Upon an Automatic Delivery Event, the principal amount of, and accrued and unpaid (including deferred, as applicable) interest on, all of the Notes will become due and payable by the Corporation without any declaration or other act on the part of the Indenture Trustee or any Noteholder, provided that the recourse of each Noteholder will be limited to such Noteholder's proportionate share of the Holding Trust Assets in respect of the Notes, and all claims of the Noteholders against the Corporation under the Notes will be extinguished upon receipt of the Holding Trust Assets in respect of the Notes.

If an Automatic Delivery Event occurs, the Corporation will, no later than one Business Day after the occurrence of such Automatic Delivery Event, notify the Holding Trust Trustee of the occurrence of such Automatic Delivery Event, provided that any failure or delay by the Corporation to notify the Holding Trust Trustee of such Automatic Delivery Event shall not prevent or preclude in any manner the Holding Trust Trustee's power to deliver the Holding Trust

Assets in respect of the Notes to the Noteholders in accordance with and subject to the terms of the Holding Trust Declaration of Trust and the Indenture. "**Automatic Delivery Event**" means the occurrence of any of the following: (a) 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); (b) 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 compromise 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 property and assets of 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; (c) a receiver, interim receiver, trustee or other similar official is appointed over the property and assets of 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 (d) 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 compromise 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 property and assets of 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 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 the property and assets of the Corporation or any substantial part of its property and assets).

Following an Automatic Delivery Event, the Holding Trust Trustee will, as soon as practicable, and in any event no later than one Business Day following such Automatic Delivery Event, deliver the Holding Trust Assets in respect of the Notes to the Noteholders in accordance with and subject to the terms of the Holding Trust Declaration of Trust and the Indenture, provided that, notwithstanding any provision of the Holding Trust Declaration of Trust or the Indenture to the contrary, the Series 2021-A Preferred Shares may not be delivered to any person whom the Corporation or its transfer agent has reason to believe is an Ineligible Person. In such circumstances, the Corporation will hold, as agent for such Ineligible Persons, the Series 2021-A Preferred Shares that would have otherwise been delivered to such Ineligible Persons and will attempt to facilitate the sale of such Series 2021-A Preferred Shares to parties other than the Corporation and its affiliates on behalf of such Ineligible Persons through a registered dealer to be retained by the Corporation on behalf of such Ineligible Persons. Such sales (if any) of Series 2021-A Preferred Shares may be made at any time and at any price. The Corporation shall not be subject to any liability for failure to sell any such Series 2021-A Preferred Shares on behalf of 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 Series 2021-A Preferred Shares will be divided among the applicable Ineligible Persons in proportion to the number of Series 2021-A Preferred Shares that would otherwise have been delivered to them after deducting the costs of sale and any applicable withholding taxes. For these purposes, "**Ineligible Person**" means: (a) any person whose address is in, or whom the Corporation or its transfer agent has reason to believe is a resident of, any jurisdiction outside Canada to the extent that the issuance by the Corporation or delivery by its transfer agent to that person of Series 2021-A Preferred Shares would require the Corporation to take any action to comply with securities or analogous laws of that jurisdiction; and (b) any person to the extent that the issuance by the Corporation or delivery by its transfer agent to that person of Series 2021-A Preferred Shares would cause the Corporation to be in violation of any law to which the Corporation is subject.

At the Delivery Time, upon such delivery, the Notes shall be immediately and automatically surrendered and cancelled, without any 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 the Corporation shall automatically cease. At the Delivery Time, each Noteholder will receive one Series 2021-A Preferred Share for each $1,000 principal amount of Notes held immediately prior to the Delivery Time, as well as such Noteholder's proportionate share of any Holding Trust Assets in respect of the Notes not being Series 2021-A Preferred Shares. Following the Delivery Time, each such Series 2021-A Preferred Share shall have a redemption price and a participation upon liquidation amount equal to $1,000, together with all accrued and unpaid dividends on such Series 2021-A Preferred Share. The amount of any accrued and unpaid (including deferred, as applicable) interest on the Notes, if any, as at the Delivery Time will be

the amount of an accrued and unpaid dividend as at the Delivery Time. See "*Description of the Series 2021-A Preferred Shares*".

The Holding Trust Trustee shall distribute the proceeds from any redemption of the Series 2021-A Preferred Shares held by the Holding Trust to the Noteholders in accordance with the terms of the Holding Trust Declaration of Trust. See "*Description of the Series 2021-A Preferred Shares – Redemption of the Series 2021-A Preferred Shares*".

The Holding Trust will continue in existence until the earlier to occur of the following events: (a) no Notes (or any other subordinated notes of any series issued by the Corporation that are subject to the Holding Trust Declaration of Trust) are outstanding and held by a person other than the Corporation; and (b) each of the Holding Trust Trustee and the Corporation elects in writing to terminate the Holding Trust and such termination is approved by the Noteholders in accordance with the terms of the Indenture and by any other holders of subordinated notes of any series issued by the Corporation that are subject to the Holding Trust Declaration of Trust in accordance with the terms of their applicable indentures.

Any amendment or supplemental declaration of trust to the Holding Trust Declaration of Trust for the purpose of adding any provisions to, or changing in any manner, or eliminating any of the provisions of the Holding Trust Declaration of Trust (other than with respect to certain immaterial matters) requires the prior consent of: (a) the Noteholders, in accordance with the terms of the Indenture; and (b) any other holders of subordinated notes of any series issued by the Corporation that are subject to the Holding Trust Declaration of Trust, in accordance with the terms of their applicable indentures.

By acquiring any Note, each Noteholder irrevocably acknowledges, consents and agrees with, and for the benefit of the Corporation and the Indenture Trustee that the delivery of the applicable Holding Trust Assets in respect of the Notes to a Noteholder as a result of an Automatic Delivery Event shall satisfy in full the Corporation's obligations to the Noteholder in respect of the Notes held by such Noteholder and such Noteholder shall have no further rights, claims or remedies under the Indenture or the Notes in respect of the Notes held by such Noteholder.

Upon the occurrence of an Automatic Delivery Event, in the event that a Noteholder fails to receive the applicable Holding Trust Assets in respect of the Notes as a result of an Automatic Delivery Event, the sole remedy of such Noteholder for any claims shall be to have recourse to the applicable Holding Trust Assets in respect of the Notes. The delivery of the applicable Holding Trust Assets in respect of the Notes to a Noteholder shall be in full satisfaction of the corresponding Notes and shall extinguish all remedies of such Noteholder against the Corporation in respect of such Notes. In case of any shortfall resulting from the value of the Holding Trust Assets in respect of the Notes being less than the principal amount of, and any accrued and unpaid (including deferred, as applicable) interest on, the Notes, all losses arising from such shortfall shall be borne by such Noteholders and no claim may be made against the Corporation in respect of such losses.

The Corporation will, on or prior to the Closing Date, enter into an agreement (as amended or supplemented from time to time, the "**Indemnity Agreement**") with the Holding Trust Trustee to indemnify the Holding Trust Trustee against certain claims, liabilities, losses and damages suffered by the Holding Trust Trustee in connection with acting as trustee for the Holding Trust. Under the Indemnity Agreement, the Holding Trust Trustee will be required to exercise and exhaust all of its remedies against the Corporation under the Indemnity Agreement prior to exercising any rights of indemnity under the Holding Trust Declaration of Trust.

The Corporation will, on or prior to the Closing Date, also enter into an agreement (as amended or supplemented from time to time, the "**Administration Agreement**") with the Holding Trust Trustee, as "administrative agent", pursuant to which the Holding Trust Trustee will delegate to the Corporation certain of its obligations in relation to the administration of the Holding Trust, including the day-to-day operations of the Holding Trust and such other matters as may be requested from time to time by the Holding Trust Trustee, in each case, subject to certain limitations and restrictions contained therein.

Redemption of the Notes

Optional Redemption

The Corporation may, at its option, redeem the Notes, in whole at any time or in part from time to time, on giving not more than 60 days' nor less than 10 days' prior notice to the Noteholders, and upon such conditions as may be specified in the applicable notice of redemption, at a redemption price per $1,000 principal amount of Notes equal to 100% of the principal amount thereof: (a) from October ●, 2030 to January ●, 2031; and (b) thereafter, on any Interest Payment Date or any Interest Reset Date, as applicable, in each case together with accrued and unpaid (including deferred, as applicable) interest to, but excluding, the date fixed for redemption. Notes that are redeemed shall be cancelled and shall not be reissued.

If less than all of the Notes are to be redeemed, the Notes to be redeemed shall be selected by the Indenture Trustee, if the Notes are represented by a global note, in accordance with the procedures of CDS, and if the Notes are certificated, on a pro rata basis, disregarding fractions, according to the principal amount of the Notes registered in the respective names of each Noteholder, or in such other manner as the Indenture Trustee may consider equitable, provided that such selection shall be proportionate (to the nearest minimum authorized denomination for the Notes established pursuant to the Indenture).

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 one year prior to the date of such redemption or purchase of securities, which are assigned by S&P (as defined herein) 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 purchased (but taking into account any changes in hybrid capital methodology or criteria or another relevant methodology or criteria or the interpretation thereof since the issuance of the Notes).

Redemption on Tax Event or Rating Event

At any time on or within 90 days following the occurrence of a Tax Event, the Corporation may, at its option, on giving not more than 60 days' nor less than 10 days' prior notice to the Noteholders, redeem all (but not less than all) of the Notes at a redemption price per $1,000 principal amount of Notes equal to 100% of the principal amount thereof, together with accrued and unpaid (including deferred, as applicable) interest to, but excluding, the date fixed for redemption.

For these purposes:

> "**Administrative Action**" means 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).
>
> "**Tax Event**" means the Corporation or the Holding Trust Trustee, as the case may be, has received an opinion of independent counsel of a nationally recognized law firm in Canada or the United States experienced in such matters (who may be counsel to the Corporation) to the effect that, as a result of:
>
> (a) 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 United States, or any political subdivision or taxing authority thereof or therein, affecting taxation;
>
> (b) any Administrative Action; or
>
> (c) any amendment to, clarification of or change (including any announced prospective 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 case, 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 the 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: (a) the Corporation or the Holding Trust 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, deduction of expense, taxable capital or taxable paid-up capital with respect to the Notes (including the treatment by the Corporation of interest on the Notes and the deductibility of such interest) or the Series 2021-A Preferred Shares (including dividends thereon) or other assets of the Holding Trust or the Holding Trust Trustee, as or as would be reflected in any tax return or form filed, to be filed, or otherwise could have been filed, will not be respected by a taxing authority; or (b) the Holding Trust is, or will be, subject to more than a de minimis amount of taxes, duties or other governmental charges or civil liabilities.

At any time on or within 90 days following the occurrence of a Rating Event, the Corporation may, at its option, on giving not more than 60 days' nor less than 10 days' prior notice to the Noteholders, redeem all (but not less than all) of the Notes at a redemption price per $1,000 principal amount of Notes equal to 102% of the principal amount thereof, together with accrued and unpaid (including deferred, as applicable) interest to, but excluding, the date fixed for redemption.

For these purposes:

"**Rating Event**" means the amount of equity credit assigned to the Notes by DBRS, S&P or any other designated rating organization (as defined in NI 44-101), as applicable, has been reduced due to an amendment to, clarification of or change in, the methodology or criteria employed by DBRS, S&P or any other designated rating organization (as defined in NI 44-101), as applicable, for the purposes of assigning equity credit to securities such as the Notes that was effective on the date on which such equity credit was initially assigned to the Notes.

For greater clarity, if there is a Tax Event or Rating Event on or after October ●, 2030, the Corporation may elect an optional redemption of the Notes, as described above, rather than a redemption by way of the Tax Event or Rating Event optional redemption right, as applicable.

Mandatory Redemption Upon Redemption of the Series 2021-A Preferred Shares

Upon any redemption by the Corporation of the Series 2021-A Preferred Shares held by the Holding Trust Trustee, in its capacity as trustee for the Holding Trust, in accordance with the terms of such Series 2021-A Preferred Shares on any date other than the Maturity Date, outstanding Notes with an aggregate principal amount equal to the aggregate issue price of Series 2021-A Preferred Shares redeemed by the Corporation shall automatically and immediately be redeemed, on a full and permanent basis, without any action on the part of, or the consent of, the Noteholders, for a redemption price per $1,000 principal amount equal to the aggregate of 100% of the principal amount thereof, plus any accrued and unpaid (including deferred, as applicable) interest on such Notes to, but excluding, the date fixed for redemption (a "**Mandatory Redemption**"). The Holding Trust Trustee shall distribute the proceeds from the redemption of such Series 2021-A Preferred Shares to the Noteholders in partial satisfaction of such redemption price and the Corporation shall be required to fund the balance of such redemption price in an amount equal to the accrued and unpaid (including deferred, as applicable) interest on such Notes.

For greater certainty, to the extent that the Corporation has immediately prior to or concurrently with such redemption of Series 2021-A Preferred Shares, redeemed or purchased for cancellation, in accordance with the terms of the Indenture, outstanding Notes with an aggregate principal amount equal to the aggregate issue price of Series 2021-A Preferred Shares being redeemed by the Corporation, such requirement to redeem Notes shall be deemed satisfied.

See "*Description of the Series 2021-A Preferred Shares – Redemption of the Series 2021-A Preferred Shares*" below for a description of the circumstances under which the Series 2021-A Preferred Shares may be redeemed by the Corporation.

Subordination

The Notes will be direct unsecured subordinated obligations of the Corporation. The payment of principal and interest on, and any redemption price for, the Notes, as 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. See "*Description of the Notes – General*" and "*Risk Factors – Structural Subordination*".

In the event: (a) 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, whether or not involving insolvency or bankruptcy, subject at all times to the Automatic Delivery Event; or (b) subject to the subordination provisions in the Indenture, that: (i) a default shall have occurred with respect to the payment of principal of or interest on or other monetary amounts due and payable on any Senior Indebtedness; or (ii) there shall have occurred an event of default (other than a default in the payment of principal or interest or other monetary amounts due and payable) in respect of any Senior Indebtedness, as defined in the instrument under which such Senior Indebtedness is outstanding, permitting the holder or holders thereof to accelerate the maturity thereof (with notice or lapse of time, or both), and such event of default shall have continued beyond the period of grace, if any, in respect thereof, and, in the cases of paragraphs (i) and (ii), such default or event of default shall not have been cured or waived or shall not have ceased to exist; or (c) 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, among other things, the holders of all Senior Indebtedness shall first be entitled to receive payment of the full amount due thereon, or provision shall be made for such payment in money or money's worth, before the Noteholders are entitled to receive a payment on account of the principal of or interest on the indebtedness evidenced by the Notes, including, without limitation, any payments made pursuant to any redemption or purchase for cancellation.

For these purposes:

> "**Capital Lease Obligations**" means, with respect to any person, the obligations of such person to pay rent or other amounts under a lease of (or other agreement conveying the right to use) real and/or personal property which obligations are required to be classified and accounted for as a capital lease on a balance sheet of such person in accordance with GAAP and, for the purposes of the Indenture, the amount of such obligations shall be the capitalized amount thereof, provided that any leases that would have been characterized as operating leases under GAAP as in effect on December 31, 2017, whether entered into before or after the date of the Indenture, shall be deemed to be operating leases and shall be excluded from this definition.
>
> "**GAAP**" means generally accepted accounting principles established by the Canadian Institute of Chartered Accountants, or any successor thereof, which are in effect from time to time in Canada.
>
> "**Guarantee**" means any guarantee, undertaking to assume, endorse, agree (whether contingently or otherwise) to purchase or to provide funds for the payment of, or otherwise become liable in respect of, any obligation of any person, provided that the amount of each Guarantee shall be deemed to be the amount of the obligation guaranteed thereby or of the funding agreed to be provided thereunder, unless the Guarantee is limited to a determinable amount in which case the amount of such Guarantee shall be deemed to be the lesser of such determinable amount or the amount of such obligation or funding.
>
> "**Indebtedness**" at any time means:
>
> (a) indebtedness of the Corporation for borrowed money;

(b) obligations of the Corporation arising pursuant to bankers' acceptance facilities, note purchase facilities and commercial paper programs, or the stated amount of letters of credit, letters of guarantee and surety bonds supporting obligations which would otherwise constitute Indebtedness within the meaning of this definition or indemnities issued in connection therewith;

(c) all obligations (whether or not with respect to the borrowing of money) that are evidenced by bonds, debentures, notes or other similar instruments of the Corporation;

(d) obligations of the Corporation under Guarantees, indemnities, assurances, legally binding comfort letters or other contingent obligations relating to the indebtedness or other obligations of any other person which would otherwise constitute Indebtedness within the meaning of this definition;

(e) all obligations secured by a Lien on any property of the Corporation, whether or not assumed by it;

(f) all obligations of the Corporation for or in respect of the deferred purchase or acquisition price of property or services (including, without limitation, all Capital Lease Obligations and obligations secured by Purchase Money Security Interests) in excess of 90 days; and

(g) all obligations of the Corporation to purchase any of the foregoing items or to advance or otherwise supply funds for payment of any of the foregoing of other entities;

and excluding, for certainty, any amounts attributable to subsidiaries of the Corporation other than by reason of paragraph (d) of this definition.

"**Liens**" means with respect to any asset, any mortgage, lien (statutory or otherwise), pledge, charge, security interest or encumbrance upon or with respect to any property of any kind, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement.

"**Purchase Money Security Interest**" means: (a) a Lien taken or reserved in property to secure payment of all or part of its purchase price; and (b) a Lien taken in property by a person who gives value for the purpose of enabling the Corporation to acquire rights in such property, to the extent that the value is applied to acquire those rights, but does not include a capital lease or an operating lease.

"**Senior Indebtedness**" means all Indebtedness of the Corporation other than Subordinated Indebtedness.

"**Subordinated Indebtedness**" means non-recourse Indebtedness, the Notes and any other Indebtedness which by its terms ranks subordinate in right of payment to Senior Indebtedness or equally in right of payment with, or subordinate to, the Notes.

Events of Default

The Indenture will provide that the occurrence of any of the following events (whatever the reason for such event and whether it shall be voluntary or involuntary or effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body) will constitute an "**Event of Default**" under the Indenture with respect to the Indenture or the Notes: (a) default in the payment of any interest on the Notes when due and payable, and continuance of such default for a period of 30 days (subject to the Corporation's right, at its option, to defer interest payments on the Notes as described under the heading "*Description of the Notes – Deferral Period*"); or (b) default in the payment of the principal amount of or the applicable redemption price of the Notes, as applicable, when due and payable. For greater certainty, neither of: (a) a default in the performance of any other covenant of the Corporation in the Indenture; or (b) the occurrence of an Automatic Delivery Event, shall constitute an Event of Default under the Indenture or the Notes.

If an Event of Default has occurred and is continuing, the Indenture Trustee shall, within 10 days after it becomes aware of the occurrence of such Event of Default, give notice of such Event of Default to the Noteholders; provided, however, that unless the Indenture Trustee shall have received a written request executed by Noteholders holding, in

the aggregate, not less than 25% in principal amount of the Notes then outstanding, the Indenture Trustee shall not be required to give such notice if the Indenture Trustee determines in good faith that the withholding of such notice is in the best interests of the Noteholders and has so advised the Corporation in writing.

Upon the occurrence of an Event of Default, the Indenture Trustee may, in its discretion, and shall, upon receipt of a written request executed by Noteholders holding, in the aggregate, not less than 25% in principal amount of the Notes then outstanding, subject to certain exceptions provided for in the Indenture, by notice in writing to the Corporation, declare the principal of or the applicable redemption price of the Notes, as applicable, and accrued and unpaid (including deferred, as applicable) interest on all Notes then outstanding to be due and payable. In such case, the Corporation shall forthwith pay to the Indenture Trustee for the benefit of the Noteholders all amounts owing in respect of the Notes pursuant to the Indenture (including interest at the rate borne by the Notes on such amounts from the date of the declaration until payment is received by the Indenture Trustee). Such payment when made shall discharge the Corporation's obligations under the Indenture with respect to the Notes.

Open Market Purchases

In addition, at any time and from time to time the Corporation may, at its option, purchase Notes, in whole or in part, by tender offer, open market purchases, negotiated transactions or otherwise in accordance with applicable securities laws, so long as such acquisition does not otherwise violate the terms of the Indenture, upon such terms and at such prices as the Corporation may determine. Notes purchased by the Corporation shall, subject to the following paragraph, be cancelled and shall not be re-issued.

If any Notes are to be purchased by the Corporation pursuant to the preceding paragraph, the Corporation shall redeem a number of Series 2021-A Preferred Shares (with an aggregate issue price equal to the aggregate principal amount of the Notes to be cancelled) then held by the Holding Trust for cancellation, and the proceeds from the redemption of such Series 2021-A Preferred Shares shall be applied by the Holding Trust Trustee first towards the payment of the principal amount of, and second towards any accrued and unpaid (including deferred, as applicable) interest on, the Notes, and should such proceeds of redemption be insufficient to pay such amounts in full, the Corporation shall be obligated to fund any shortfall.

In the event of either a redemption of Notes or a purchase of Notes, the Corporation will, in either case, cancel any Notes so redeemed or purchased, as applicable.

Voting Rights

The Noteholders will not be entitled to receive notice of, attend or vote at any meeting of the Shareholders and will have no voting rights other than in limited circumstances, as described in the Indenture. See "*Description of the Notes – Amendments to the Indenture*".

No Restriction on Other Indebtedness Under the Indenture

Although certain of the Corporation's existing financing arrangements limit the Corporation's ability to create, issue or incur additional indebtedness, neither the Corporation nor its subsidiaries will be subject to any such restrictions under the Indenture. In the event that the Corporation creates, issues or incurs additional indebtedness, such indebtedness would, in the event of the insolvency, dissolution or winding-up of the Corporation, depending on the terms of such indebtedness, rank in right of payment in priority to, equally with or subordinate to the Notes.

Restriction on Issuance of Preferred Shares

For so long as the Series 2021-A Preferred Shares are outstanding, the Corporation may not create or issue any Class A Preferred Shares or other preferred shares of the Corporation which, in the event of insolvency, liquidation, dissolution or winding up of the Corporation, would rank in right of payment in priority to the Series 2021-A Preferred Shares, provided that, for greater certainty, the Corporation may issue Class A Preferred Shares or other preferred shares which, in the event of insolvency, liquidation, dissolution or winding-up of the Corporation, would rank on a parity in right of payment with the Series 2021-A Preferred Shares.

Amendments to the Indenture

The rights of the Noteholders under the Indenture may be modified. The Indenture will provide that supplemental indentures thereto may be entered into by the Indenture Trustee and the Corporation to, among other things: (a) add or amend covenants of the Corporation to protect or benefit Noteholders or to provide for additional events of default thereunder; (b) make such provisions not inconsistent with the Indenture with respect to matters or questions arising under the Indenture, including the making of any modifications to the form of Notes which do not affect the substance thereof, provided that such provisions and modifications are not prejudicial in any material respect to the interests of the Noteholders; (c) evidence the succession of other entities to the Corporation under the Indenture; (d) establish the terms and conditions attached to an issue of another series of subordinated notes issued by the Corporation pursuant to the Indenture; (e) give effect to an Extraordinary Resolution (as defined herein); (f) make amendments to the Indenture to comply with applicable law; and (g) for any other purpose not inconsistent with the Indenture.

For that purpose, among others, the Indenture will contain provisions to render binding on all Noteholders resolutions passed by the affirmative votes of Noteholders holding, in the aggregate, at least 66 2/3% in principal amount of the Notes then outstanding present in person or represented by proxy at a meeting of Noteholders or instruments in writing signed by Noteholders holding, in the aggregate, at least 66 2/3% in principal amount of the Notes then outstanding (an "**Extraordinary Resolution**"). The quorum for meetings of Noteholders at which an Extraordinary Resolution may be considered shall be Noteholders representing not less than 25% in principal amount of outstanding Notes. In certain circumstances, if Noteholders representing not less than 25% in principal amount of Notes are not represented at a meeting, then such meeting shall be adjourned and, if properly reconvened in accordance with the terms of the Indenture, those Noteholders represented at the reconvened meeting shall constitute a proper quorum to consider, vote on and pass an Extraordinary Resolution.

Reference is made to the Indenture for detailed provisions relating to voting and meetings of Noteholders.

Governing Law

The Indenture and the Notes will be governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein.

DESCRIPTION OF THE SERIES 2021-A PREFERRED SHARES

On or prior to the Closing Date, the Series 2021-A Preferred Shares will be issued as a series of Class A Preferred Shares to the Holding Trust Trustee, in its capacity as trustee for the Holding Trust, to be held in accordance with the terms of the Holding Trust Declaration of Trust. See "*Description of Securities – Class A Preferred Shares*" in the Prospectus.

The following summary of certain terms pertaining to the Series 2021-A Preferred Shares does not purport to be complete and is qualified in its entirety by reference to the complete text of the provisions attaching to the Class A Preferred Shares, as a class, and the Series 2021-A Preferred Shares, as a series. The Corporation will furnish, on request, a copy of the text of such provisions, which will also be available on SEDAR at www.sedar.com.

Interpretation

The following definitions are relevant to the Series 2021-A Preferred Shares:

> "**Annual Fixed Dividend Rate**" means: (a) for any Subsequent Fixed Dividend Rate Period ending on or before January ●, 2051, the annual rate (expressed as a percentage rounded to the nearest one hundred-thousandth of one percent (with 0.000005% or greater being rounded up)) equal to the Five Year Government of Canada Yield (Dividend) on the most recent Dividend Rate Reset Determination Date plus ●%; and (b) for any Subsequent Fixed Dividend Rate Period commencing on or after January ●, 2051, the annual rate (expressed as a percentage rounded to the nearest one hundred-thousandth of one percent (with 0.000005% or greater being rounded up)) equal to the Five Year Government of Canada Yield (Dividend) on the most recent Dividend Rate Reset Determination Date plus ●%.

"**Bloomberg Screen GCAN5YR Page**" means the display designated as page "GCAN5YR<INDEX>" on the Bloomberg Financial L.P. service (or such other page as may replace the GCAN5YR page on that service for purposes of displaying Government of Canada bond yields).

"**Business Day**" means a day other than a Saturday, Sunday or other day on which banking institutions in the Province of Alberta or the Province of Ontario are authorized or required by law to close.

"**Dividend Payment Date**" means January ● and July ● of each year.

"**Dividend Rate Reset Date**" means January ●, 2031 and every fifth anniversary of such date thereafter.

"**Dividend Rate Reset Determination Date**" means, for any Subsequent Fixed Dividend Rate Period, the date that is one Business Day prior to the first day of such Subsequent Fixed Dividend Rate Period.

"**Five Year Government of Canada Yield (Dividend)**" means, as at any Dividend Rate Reset Determination Date for a Subsequent Fixed Dividend Rate Period, the bid yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and which appears on the Bloomberg Screen GCAN5YR Page on such date, provided that, if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, "Five Year Government of Canada Yield (Dividend)" means the average of the yields determined by two registered Canadian investment dealers (each of which is a member of the Investment Industry Regulatory Organization of Canada) selected by the Corporation, as being the yield to maturity (assuming semi-annual compounding) on such date at or about 10:00 am (Toronto time) which a Canadian dollar denominated non-callable Government of Canada bond would carry if issued in Canadian dollars at 100% of its principal amount on such date with a term to maturity of five years.

"**Initial Dividend Rate Reset Date**" means January ●, 2031.

"**Initial Fixed Dividend Rate**" means, for the Initial Fixed Rate Period, the rate equal to the interest rate per annum on the Notes in effect as of the Closing Date.

"**Initial Fixed Rate Period**" means the period from, and including, the Closing Date to, but excluding, January ●, 2031.

"**Liquidation**" means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

"**Make-Whole Amount**" means the amount equal to the accrued and unpaid (including deferred, as applicable) interest per Note, if any, as at the Delivery Time, which, for these purposes, shall be calculated as if such interest was accruing up to, but excluding, the date on which the Delivery Time occurs.

"**Pro Rated First Dividend**" means the amount determined by multiplying the amount of the dividend payable for a semi-annual period in which the Delivery Time occurs by two and multiplying that product by a fraction, the numerator of which is the number of days from, and including, the date on which the Delivery Time occurs to, but excluding the first Dividend Payment Date following the Delivery Time and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.

"**Pro Rated Liquidation Dividend**" means the amount determined by multiplying the amount of the dividend payable for the semi-annual period in which the Liquidation or redemption is to occur by two and multiplying that product by a fraction, the numerator of which is the number of days from, and including, the Dividend Payment Date immediately preceding the date fixed for Liquidation or redemption to, but excluding, the date fixed for Liquidation or redemption and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.

"**Series 2021-A Preferred Shares Redemption Price**" means:

(a) in the case of a Series 2021-A Preferred Share Optional Redemption, a redemption price per Series 2021-A Preferred Share equal to $1,000.00, together with accrued and unpaid dividends, if any, on such Series 2021-A Preferred Share to, but excluding, the date fixed by the Corporation for such redemption (including, for greater certainty, any accrued and unpaid Make-Whole Dividend);

(b) in the case of a Series 2021-A Preferred Share Mandatory Redemption, a redemption price per Series 2021-A Preferred Share equal to $1,000.00, together with accrued and unpaid dividends, if any, on such Series 2021-A Preferred Share to, but excluding, the date fixed by the Corporation for such redemption;

(c) in the case of a Series 2021-A Preferred Share Special Event Redemption as a result of a Rating Event, a redemption price per Series 2021-A Preferred Share equal to $1,020, together with accrued and unpaid dividends, if any, on such Series 2021-A Preferred Share to, but excluding, the date fixed by the Corporation for such redemption (including, for greater certainty, any accrued and unpaid Make-Whole Dividend); and

(d) in the case of a Series 2021-A Preferred Share Special Event Redemption as a result of a Tax Event, a redemption price per Series 2021-A Preferred Share equal to $1,000.00, together with accrued and unpaid dividends, if any, on such Series 2021-A Preferred Share to, but excluding, the date fixed by the Corporation for such redemption (including, for greater certainty, any accrued and unpaid Make-Whole Dividend).

"**Subsequent Fixed Dividend Rate Period**" means the period from, and including, the Initial Dividend Rate Reset Date to, but excluding, the next Dividend Rate Reset Date and each five-year period thereafter from, and including, the most recent Dividend Rate Reset Date to, but excluding, the next Dividend Rate Reset Date.

In this section, the expressions "ranking prior to", "ranking on a parity with", "ranking junior to" and similar expressions refer to the order of priority in the payment of dividends, the return of capital or the distribution of assets of the Corporation in the event of any Liquidation.

Issue Price

The issue price of each of the Series 2021-A Preferred Shares is $1,000.00.

Dividends

The holders of Series 2021-A Preferred Shares ("**Series 2021-A Preferred Shareholders**") shall not be entitled to receive any dividends, nor shall any dividends accumulate or accrue, on the Series 2021-A Preferred Shares prior to the Delivery Time.

Series 2021-A Preferred Shareholders shall be entitled to receive and the Corporation shall pay, if, as and when declared by the Board of Directors, out of the monies of the Corporation properly applicable to the payment of dividends, a cumulative preferential cash dividend, payable at the Delivery Time, in the amount per Series 2021-A Preferred Share equal to the Make-Whole Amount (the "**Make-Whole Dividend**") (less any tax required to be deducted or withheld by the Corporation).

During the Initial Fixed Rate Period and after the Delivery Time, Series 2021-A Preferred Shareholders shall be entitled to receive and the Corporation shall pay, if, as and when declared by the Board of Directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed semi-annual cumulative preferential cash dividends, payable semi-annually on each Dividend Payment Date during the Initial Fixed Rate Period, in the amount

per Series 2021-A Preferred Share equal to one-half of the Initial Fixed Dividend Rate multiplied by the sum of $1,000.00 and the Make-Whole Amount (less any tax required to be deducted or withheld by the Corporation).

During each Subsequent Fixed Dividend Rate Period and after the Delivery Time, Series 2021-A Preferred Shareholders shall be entitled to receive and the Corporation shall pay, if, as and when declared by the Board of Directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed semi-annual cumulative preferential cash dividends, payable semi-annually on each Dividend Payment Date during such Subsequent Fixed Dividend Rate Period, in the amount per Series 2021-A Preferred Share equal to one-half of the Annual Fixed Dividend Rate applicable to such Subsequent Fixed Dividend Rate Period multiplied by the sum of $1,000.00 and the Make-Whole Amount (less any tax required to be deducted or withheld by the Corporation).

Notwithstanding the foregoing, if the Delivery Time occurs on a date other than a Dividend Payment Date, the semi-annual cumulative preferential cash dividend payable on the first Dividend Payment Date following the Delivery Time, if, as and when declared by the Board of Directors, out of the monies of the Corporation properly applicable to the payment of dividends, shall be equal to the amount per Series 2021-A Preferred Share of the Pro Rated First Dividend (less any tax required to be deducted or withheld by the Corporation).

On each Dividend Rate Reset Determination Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Dividend Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the Corporation and upon all Series 2021-A Preferred Shareholders. The Corporation shall, on each Dividend Rate Reset Determination Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Dividend Rate Period to the registered holders of the then outstanding Series 2021-A Preferred Shares. Notwithstanding the foregoing, the Corporation shall not be required to give notice of the Annual Fixed Dividend Rate for any Subsequent Fixed Dividend Rate Period prior to the Delivery Time.

If a dividend has been declared for a semi-annual period and a date is fixed for a Liquidation or redemption that is prior to the Dividend Payment Date for such semi-annual period, a Pro Rated Liquidation Dividend (less any tax required to be deducted or withheld by the Corporation) shall be payable on the date fixed for such Liquidation or redemption instead of the full dividend declared, provided that if such Liquidation or redemption does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.

If any dividend (including, for greater certainty, any Make-Whole Dividend) payable on any Dividend Payment Date is not paid in full on all of the Series 2021-A Preferred Shares then outstanding, such dividend or the unpaid part thereof shall accumulate and accrue and 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 applicable, under any applicable law and under any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of such dividend.

Purchase for Cancellation

Subject to the *Business Corporations Act* (Alberta) (the "**ABCA**") and the restrictions described below under "*Restrictions on Payment of Dividends and Reduction of Capital*", as applicable, the Corporation may, at any time and from time to time, purchase for cancellation all or any part of the Series 2021-A Preferred Shares outstanding at any price by tender to all registered Series 2021-A Preferred Shareholders or in the open market at the lowest price or prices at which, in the opinion of the Board of Directors, such Series 2021-A Preferred Shares are obtainable, or in any other manner.

Redemption of the Series 2021-A Preferred Shares

If at any time the Corporation: (a) redeems Notes in accordance with their terms or purchases Notes, in whole or in part, by tender offer, open market purchases, negotiated transactions or otherwise, for cancellation; or (b) repays the aggregate principal amount of the Notes, together with any accrued and unpaid (including deferred, as applicable) interest upon the maturity of the Notes, the Corporation shall, subject to the ABCA and the restrictions described below under "*Restrictions on Payment of Dividends and Reduction of Capital*", redeem such number of Series 2021-A Preferred Shares with an aggregate issue price equal to the aggregate principal amount of Notes redeemed,

purchased for cancellation or repaid upon maturity by the Corporation, as applicable, without any action on the part of, or the consent of, the holders of such Series 2021-A Preferred Shares, for the applicable Series 2021-A Preferred Shares Redemption Price (less any tax required to be deducted or withheld by the Corporation) (each, a "**Series 2021-A Preferred Share Mandatory Redemption**").

Except to the extent there is a Series 2021-A Preferred Share Special Event Redemption, the Series 2021-A Preferred Shares will not be redeemable by the Corporation prior to October ●, 2030. The Corporation may, at its option, redeem all or any part of the outstanding Series 2021-A Preferred Shares, upon such conditions as may be specified in the applicable notice of redemption, without any action on the part of, or the consent of, the holders of such Series 2021-A Preferred Shares, during the period: (a) from October ●, 2030 to January ●, 2031; and (b) thereafter, on any Dividend Payment Date or any Dividend Rate Reset Date, as applicable, for the applicable Series 2021-A Preferred Shares Redemption Price (less any tax required to be deducted or withheld by the Corporation) (each, a "**Series 2021-A Preferred Share Optional Redemption**").

If the Corporation, on or within 90 days following the occurrence of a Rating Event or Tax Event, as applicable, redeems the Notes, in whole but not in part, the Corporation may redeem such number of Series 2021-A Preferred Shares with an aggregate issue price equal to the aggregate principal amount of Notes redeemed, without any action on the part of, or the consent of, Series 2021-A Preferred Shareholders, for the applicable Series 2021-A Preferred Shares Redemption Price (less any tax required to be deducted or withheld by the Corporation) (a "**Series 2021-A Preferred Share Special Event Redemption**").

For greater certainty, if a Rating Event or Tax Event occurs on or after October ●, 2030, the Corporation may elect to effect a Series 2021-A Preferred Share Optional Redemption of the Series 2021-A Preferred Shares, rather than a Series 2021-A Preferred Share Special Event Redemption as a result of such Rating Event or Tax Event, as applicable.

Subject to the ABCA, where only a part of the then outstanding Series 2021-A Preferred Shares is, at any time, to be redeemed, the Series 2021-A Preferred Shares to be redeemed will be redeemed on a pro rata basis as nearly as may be possible (disregarding fractions) or in such other manner as the Board of Directors determines.

Written notice of any redemption of all or part of the Series 2021-A Preferred Shares, including a Series 2021-A Preferred Share Special Event Redemption, shall be given by the Corporation to the registered holders of such Series 2021-A Preferred Shares not more than 60 days nor less than 10 days prior to the date fixed by the Corporation for such redemption.

The notice of redemption of Series 2021-A Preferred Shares shall set out the date fixed by the Corporation for such redemption, the applicable Series 2021-A Preferred Shares Redemption Price, the place at which the applicable Series 2021-A Preferred Shares Redemption Price is to be paid and, if less than all of the Series 2021-A Preferred Shares are to be redeemed, the number of Series 2021-A Preferred Shares to be redeemed.

Liquidation

In the event of a Liquidation, Series 2021-A Preferred Shareholders shall be entitled to receive $1,000.00 per Series 2021-A Preferred Share, together with all accrued and unpaid dividends thereon, which, for these purposes, shall be calculated as if such dividends were accruing for the period from, and including, the last Dividend Payment Date for which dividends thereon have been paid in full to, but excluding, the date of payment, including, for greater certainty, any accrued and unpaid Make-Whole Dividend (less any tax required to be deducted or 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 any shares of the Corporation ranking junior to the Series 2021-A Preferred Shares. Upon payment to Series 2021-A Preferred Shareholders of the amount so payable to them, such Series 2021-A Preferred Shareholders shall not be entitled to share in any further distribution of the property or assets of the Corporation.

Voting Rights

Except as otherwise provided by law and except for meetings of the holders of Class A Preferred Shares as a class and meetings of Series 2021-A Preferred Shareholders as a series, Series 2021-A Preferred Shareholders shall not be entitled to receive any notice of, to attend or to vote at any meeting of Shareholders, unless and until the Corporation shall have failed to pay four or more semi-annual dividends on the Series 2021-A Preferred Shares, whether or not consecutive (treating for such purpose any unpaid Make-Whole Amount as a failure to pay that number of semi-annual dividends as the number of unpaid semi-annual interest payments represented by such Make-Whole Amount) and whether or not such dividends have been declared and whether or not there are any monies of the Corporation properly applicable to the payment of such dividends. In the event of such aggregate non-payment, Series 2021-A Preferred Shareholders shall be entitled to receive notice of and to attend each meeting of Shareholders at which directors of the Corporation are to be elected which take place more than 60 days after the date (not earlier than the date on which the Delivery Time occurs) on which the aggregate non-payment first occurs (other than separate meetings of holders of another class or series of shares of the Corporation), and such Series 2021-A Preferred Shareholders present in person or represented by proxy at such meeting shall be entitled, at any poll taken or in respect of any other voting method at any such meeting, voting together with the holders of the Common Shares and all other shares entitled to vote together with the Common Shares on such election of directors, to one vote with respect to resolutions to elect directors of the Corporation being voted on for each Series 2021-A Preferred Share held, until all such arrears of dividends on the Series 2021-A Preferred Shares have been paid, whereupon such rights shall cease unless and until the same default shall again arise.

Restrictions on Payment of Dividends and Reduction of Capital

So long as any of the Series 2021-A Preferred Shares are outstanding, the Corporation shall not, without the approval of Series 2021-A Preferred Shareholders in accordance with the terms of the Series 2021-A Preferred Shares:

(a) call for redemption, purchase, reduce the stated capital maintained by the Corporation in respect of or otherwise pay off less than all of the Series 2021-A Preferred Shares and all other Class A Preferred Shares then outstanding ranking prior to or on a parity with the Series 2021-A Preferred Shares with respect to the payment of dividends;

(b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 2021-A Preferred Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 2021-A Preferred Shares with respect to the payment of dividends; or

(c) call for redemption of, purchase, reduce the stated capital maintained by the Corporation in respect of or otherwise pay for any shares of the Corporation ranking junior to the Series 2021-A Preferred Shares with respect to the repayment of capital or with respect to the payment of dividends,

unless, in each such case, all dividends up to, and including, the dividends payable on the last preceding dividend payment dates for the last completed period for which dividends shall be payable on the Series 2021-A Preferred Shares and all other Class A Preferred Shares then outstanding and on all other shares ranking prior to or on a parity with the Class A Preferred Shares with respect to the payment of dividends shall have been declared and paid or set apart for payment as at the date of any such action referred to above in subparagraphs (a), (b) or (c).

Creation or Issuance of Additional Shares

So long as any Series 2021-A Preferred Shares are outstanding, the Corporation shall not, without the prior approval of Series 2021-A Preferred Shareholders in accordance with the terms of the Series 2021-A Preferred Shares, create or issue any shares of the Corporation ranking prior to or on a parity with the Series 2021-A Preferred Shares with respect to the repayment of capital or payment of dividends, provided, however, that the Corporation may, without such approval, create and/or issue additional series of Class A Preferred Shares if all dividends then payable on the Series 2021-A Preferred Shares shall have been paid or set apart for payment.

Tax Election

The terms of the Series 2021-A Preferred Shares require the Corporation to make the necessary election, in the manner and within the time provided under Section 191.2 of the *Income Tax Act* (Canada) (the "**Tax Act**"), or any successor or replacement provision of similar effect, and take all other necessary action under the Tax Act, to pay tax at a rate such that no Series 2021-A Preferred Shareholder shall be required to pay tax under Section 187.2 of Part IV.1 of the Tax Act, or any successor or replacement provision of similar effect, on dividends received on the Series 2021-A Preferred Shares. See "*Canadian Federal Income Tax Considerations*".

Amendments

The provisions attaching to the Series 2021-A Preferred Shares may be amended with the written approval of all the holders of the Series 2021-A Preferred Shares outstanding or by at least two-thirds of the votes cast at a meeting of the holders of such Series 2021-A Preferred Shares duly called for that purpose.

Priority

The Series 2021-A Preferred Shares will rank on parity with each other series of Class A Preferred Shares. The Series 2021-A Preferred Shares will rank in priority to the Common Shares, as well as to any other shares of the Corporation ranking junior to the Series 2021-A Preferred Shares as to the payment of dividends or the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation.

Restrictions on Issuances of Preferred Shares

The Corporation reserves the right not to issue Series 2021-A Preferred Shares to: (a) any person whose address is in, or whom the Corporation or its transfer agent has reason to believe is a resident of, any jurisdiction outside Canada to the extent that the issuance by the Corporation or delivery by its transfer agent to that person of Series 2021-A Preferred Shares would require the Corporation to take any action to comply with securities or analogous laws of that jurisdiction; and (b) any person to the extent that the issuance by the Corporation or delivery by its transfer agent to that person of Series 2021-A Preferred Shares would cause the Corporation to be in violation of any law to which the Corporation is subject. See "*Description of the Notes – Automatic Delivery Event*".

Business Days

If any day on which any dividend on the Series 2021-A Preferred 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.

ELIGIBILITY FOR INVESTMENT

In the opinion of Blake, Cassels & Graydon LLP, counsel to the Corporation, and Stikeman Elliott LLP, counsel to the Underwriters, based on the current provisions of the Tax Act and the regulations thereunder, the Notes and the Series 2021-A Preferred Shares, if issued on the date of this Prospectus Supplement, would be, on such date, qualified investments under the Tax Act and the regulations thereunder for a trust governed by a registered retirement savings plan ("**RRSP**"), a registered retirement income fund ("**RRIF**"), a registered education savings plan ("**RESP**"), a registered disability savings plan ("**RDSP**"), a deferred profit sharing plan (other than, in respect of the Notes, trusts governed by deferred profit sharing plans for which any employer is the Corporation, or a corporation with which the Corporation does not deal at arm's length within the meaning of the Tax Act) or a tax-free savings account ("**TFSA**").

Notwithstanding that the Notes or the Series 2021-A Preferred Shares may be qualified investments for a trust governed by an RRSP, RRIF, RESP, RDSP or TFSA, the annuitant under an RRSP or RRIF, the subscriber of an RESP or the holder of an RDSP or a TFSA will be subject to a penalty tax with respect to the Notes or the Series 2021-A Preferred Shares, as applicable, if the Notes or the Series 2021-A Preferred Shares are a "prohibited investment" for the RRSP, RRIF, RESP, RDSP or TFSA, as applicable. The Notes and the Series 2021-A Preferred Shares will generally not be a "prohibited investment", provided that the annuitant, the subscriber or the holder, as

applicable: (a) deals at arm's length with the Corporation for purposes of the Tax Act; and (b) does not have a "significant interest" (as defined in subsection 207.01(4) of the Tax Act) in the Corporation. In addition, the Series 2021-A Preferred Shares will generally not be a "prohibited investment" for a trust governed by a RRSP, RRIF, RESP, RDSP or TFSA if they are "excluded property" (as defined in subsection 207.01(1) of the Tax Act) for such trusts. Annuitants under an RRSP or RRIF, subscribers of an RESP and holders of an RDSP or TFSA should consult their own tax advisors regarding whether the Notes or the Series 2021-A Preferred Shares will be prohibited investments in their particular circumstances.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Blake, Cassels & Graydon LLP, counsel to the Corporation, and Stikeman Elliott LLP, counsel to the Underwriters (collectively, "**Counsel**"), the following summary describes the principal Canadian federal income tax considerations generally applicable to a purchaser who acquires Notes, including entitlement to all payments thereunder, as beneficial owner, pursuant to this Prospectus Supplement and Series 2021-A Preferred Shares pursuant to an Automatic Delivery Event, and who, for purposes of the Tax Act and at all relevant times, deals at arm's length with the Corporation and each of the Underwriters, is not affiliated with the Corporation or any of the Underwriters, holds Notes and will hold any Series 2021-A Preferred Shares as capital property (a "**Holder**").

Generally, the Notes and the Series 2021-A Preferred Shares will be capital property to a Holder, provided the Holder does not acquire the Notes or Series 2021-A Preferred Shares in the course of carrying on a business of trading or dealing in securities and does not acquire them as part of an adventure or concern in the nature of trade.

This summary is based upon the current provisions of the Tax Act and the regulations promulgated thereunder (the "**Regulations**"), the *Canada-United States Tax Convention* and Counsel's understanding of the administrative policies and assessing practices of the Canada Revenue Agency published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and assumes that all Tax Proposals will be enacted in the form proposed. However, no assurances can be given that the Tax Proposals will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative or assessing practice, whether by legislative, regulatory, administrative or judicial action, nor does it take into account provincial, territorial or foreign tax considerations which may differ from the Canadian federal income tax consequences discussed herein.

This summary is of a general nature only and is not, and is not intended to be, legal or tax advice to any particular Holder and no representation with respect to the income tax consequences to any particular Holder is made. This summary is not exhaustive of all federal income tax considerations. Accordingly, prospective Holders should consult their own tax advisors with respect to their particular circumstances.

Holders Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act, is, or is deemed to be, resident in Canada (a "**Resident Holder**"). Certain Resident Holders whose Notes or Series 2021-A Preferred Shares would not otherwise qualify as capital property may, in certain circumstances, be entitled to have them and all other "Canadian securities" (as defined in the Tax Act) of the Resident Holder treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Holders who will not hold the Notes or the Series 2021-A Preferred Shares as capital property should consult their own tax advisors with respect to their own particular circumstances.

This portion of the summary is not applicable to a Resident Holder: (a) that is a "financial institution" as defined in the Tax Act for purposes of the mark-to-market rules; (b) an interest in which is or would constitute a "tax shelter investment" as defined in the Tax Act; (c) that reports its "Canadian tax results", as defined in the Tax Act, in a currency other than Canadian currency; or (d) that has entered into, with respect to the Notes or Series 2021-A Preferred Shares a "derivative forward arrangement" as defined in the Tax Act. Such Resident Holders should consult their own tax advisors. Furthermore, this portion of the summary is not applicable to a Resident Holder that is a "specified financial institution" (as defined in the Tax Act) that receives (or is deemed to receive) dividends in respect

of Series 2021-A Preferred Shares acquired pursuant to an Automatic Delivery Event. Such Resident Holders should consult their own tax advisors.

Notes

Interest

A Resident Holder that is a corporation, partnership, unit trust or any trust of which a corporation or partnership is a beneficiary will be required to include in computing its income for a taxation year any interest on the Notes that accrues (or is deemed to accrue) to it to the end of the particular taxation year or that has become receivable by or is received by the Resident Holder before the end of that taxation year, except to the extent that such interest was included in computing the Resident Holder's income for a preceding taxation year.

Any other Resident Holder, including an individual (other than a trust described in the immediately preceding paragraph), will be required to include in income for a taxation year all interest on the Notes that is received or receivable by such Resident Holder in that taxation year (depending upon the method regularly followed by the Resident Holder in computing income), except to the extent that the interest was included in the Resident Holder's income for a preceding taxation year. In addition, if at any time a Note should become an "investment contract" (as defined in the Tax Act) in relation to the Resident Holder, such Resident Holder will be required to include in computing the Resident Holder's income for a taxation year any interest that accrues to the Resident Holder on the Note up to the end of any "anniversary date" (as defined in the Tax Act) in the year to the extent such interest was not otherwise included in the Resident Holder's income for that year or a preceding taxation year. The investment contract provisions of the Tax Act will generally apply during any Deferral Period to require Resident Holders who would not otherwise include accrued but unpaid interest in their income to include interest that accrues during the Deferral Period on an annual basis.

Dispositions of Notes

On a disposition or deemed disposition of Notes by a Resident Holder, including a repayment by the Corporation upon maturity or a purchase or redemption by the Corporation, other than a disposition as a result of an Automatic Delivery Event, a Resident Holder will generally be required to include in computing its income for the taxation year in which the disposition occurred the amount of interest (including amounts considered to be interest) that has accrued or been deemed to accrue on the Notes from the date of the last interest payment to the date of disposition to the extent that such amount has not otherwise been included in the Resident Holder's income for the taxation year or a previous taxation year.

On a disposition of Notes by a Resident Holder as a result of an Automatic Delivery Event, a Resident Holder that has previously included an amount in income in respect of accrued and unpaid interest on the Notes that exceeds the amount of interest received by such Resident Holder prior to the Automatic Delivery Event may be entitled to an offsetting deduction in the year of disposition in an amount equal to the amount of such excess.

Any premium paid by the Corporation to a Resident Holder on the purchase of a Note (other than in the open market in the manner any such obligation would normally be purchased in the open market by any member of the public) will generally be deemed to be interest received by the Resident Holder at the time of the payment to the extent that it can reasonably be considered to relate to, and does not exceed the value at that time of, the interest that would have been paid or payable by the Corporation on the Note for a taxation year of the Corporation ending after the time of the payment. Such interest will be required to be included in computing the Resident Holder's income in the manner described above.

In general, on a disposition or deemed disposition of Notes, a Resident Holder will realize a capital gain (or a capital loss) equal to the amount, if any, by which the proceeds of disposition, net of any amount required to be included in the Resident Holder's income as interest or otherwise, exceed (or are exceeded by) the aggregate of the Resident Holder's adjusted cost base thereof and any reasonable costs of disposition. On an Automatic Delivery Event, the proceeds of disposition will be equal to the fair market value of the Series 2021-A Preferred Shares received pursuant to such Automatic Delivery Event. The cost of a Series 2021-A Preferred Share received pursuant to such Automatic

Delivery Event will generally equal the fair market value of such Series 2021-A Preferred Share on the date of acquisition and will be averaged with the adjusted cost base of all Series 2021-A Preferred Shares held by such Resident Holder as capital property immediately before such time for the purpose of determining thereafter the adjusted cost base of each such share.

Series 2021-A Preferred Shares

Dividends

Dividends (including deemed dividends) received on the Series 2021-A Preferred Shares by a Resident Holder that is an individual (other than certain trusts) will be included in the individual's income and generally will be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends received by individuals from taxable Canadian corporations. Taxable dividends received that are designated by the Corporation as "eligible dividends" will be subject to an enhanced gross-up and dividend tax credit regime in accordance with the Tax Act. Dividends (including deemed dividends) on the Series 2021-A Preferred Shares received by a Resident Holder that is a corporation will be included in computing the corporation's income and will generally be deductible in computing the taxable income of the corporation. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain.

The Series 2021-A Preferred Shares will be "taxable preferred shares" as defined in the Tax Act. The terms of the Series 2021-A Preferred Shares require the Corporation to make the necessary election under Part VI.1 of the Tax Act so that corporate Resident Holders will not be subject to tax under Part IV.1 of the Tax Act on dividends received (or deemed to be received) on the Series 2021-A Preferred Shares.

A Resident Holder that is a "private corporation" or a "subject corporation" (each as defined in the Tax Act) will generally be liable under Part IV of the Tax Act to pay a refundable tax on dividends received (or deemed to be received) by it on the Series 2021-A Preferred Shares to the extent such dividends are deductible in computing its taxable income.

Dispositions of Series 2021-A Preferred Shares

A Resident Holder who disposes of or is deemed to dispose of Series 2021-A Preferred Shares (including, generally, on redemption or purchase for cancellation of the Series 2021-A Preferred Shares by the Corporation for cash or otherwise) will generally realize a capital gain (or a capital loss) to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such Series 2021-A Preferred Shares to that Resident Holder immediately before the disposition or deemed disposition. The amount of any deemed dividend arising on the redemption or purchase for cancellation, as applicable, by the Corporation of Series 2021-A Preferred Shares will generally not be included in computing the proceeds of disposition to any Resident Holder for purposes of computing the capital gain or capital loss arising on the disposition of such Series 2021-A Preferred Shares. See "*Acquisitions by the Corporation of Series 2021-A Preferred Shares*" below. If the Resident Holder is a corporation, any such capital loss realized on a disposition of a Series 2021-A Preferred Shares may, in certain circumstances, be reduced by the amount of any dividends which have been received or which are deemed to have been received on such Series 2021-A Preferred Shares. Analogous rules apply to a partnership or trust of which a corporation, trust or partnership is a member or beneficiary.

Acquisitions by the Corporation of Series 2021-A Preferred Shares

If the Corporation redeems for cash or otherwise acquires Series 2021-A Preferred Shares, other than by a purchase in the open market in the manner in which Series 2021-A Preferred Shares are normally purchased by a member of the public in the open market, the Resident Holder will be deemed to have received a dividend equal to the amount, if any, paid by the Corporation in excess of the paid-up capital (as determined for purposes of the Tax Act) of such Series 2021-A Preferred Shares at such time. See "*Dividends*" above. Generally, the difference between the amount paid and the amount of the deemed dividend will be treated as proceeds of disposition for the purposes of computing the capital gain or capital loss arising on the disposition of such Series 2021-A Preferred Shares. See "*Dispositions of Series 2021-A Preferred Shares*" above. In the case of a corporate Resident Holder, it is possible that, in certain

circumstances, all or part of the amount so deemed to be a dividend may be treated as proceeds of disposition and not as a dividend.

Taxation of Capital Gains and Capital Losses

One-half of the amount of any capital gain (a "**taxable capital gain**") realized by a Resident Holder in a taxation year will generally be included in the Resident Holder's income for the year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder is required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized by the Resident Holder in the year. Any excess allowable capital losses over taxable capital gains of the Resident Holder for that year may be carried back up to three taxation years or forward indefinitely and deducted against net taxable capital gains in those other years, subject to the detailed provisions of the Tax Act.

Additional Refundable Tax

A Resident Holder that is, throughout the year, a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay a refundable tax on certain investment income including amounts in respect of interest, dividends received or deemed to be received that are not deductible in computing income for a year and the amount of any taxable capital gains. Any such Resident Holder should consult with its own tax advisors in this regard.

Alternative Minimum Tax

Capital gains realized and taxable dividends received by a Resident Holder who is an individual (other than certain trusts) may result in such Resident Holder being liable for alternative minimum tax under the Tax Act.

Holders Not Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act, is not, and is not deemed to be, resident in Canada, deals at arm's length with the Corporation and any transferee resident (or deemed to be resident) in Canada to whom the Holder disposes of the Notes, is not a "specified non-resident shareholder" of the Corporation for purposes of the Tax Act or a non-resident person not dealing at arm's length with a "specified shareholder" (each within the meaning of subsection 18(5) of the Tax Act) of the Corporation, and does not use or hold the Notes or the Series 2021-A Preferred Shares in a business carried on, or is deemed to be carried on, in Canada (a "**Non-Resident Holder**"). Special rules, which are not discussed in this summary, may apply to a Holder that is: (a) an insurer that carries on an insurance business in Canada and elsewhere; or (b) an "authorized foreign bank" (as defined in the Tax Act). This summary assumes that no interest paid on the Notes will be in respect of a debt or other obligation to pay an amount to a person with whom the Corporation does not deal at arm's length within the meaning of the Tax Act.

Generally, for purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of the Notes and the Series 2021-A Preferred Shares must be determined in Canadian dollars in accordance with the Tax Act, including the amount of interest and dividends required to be included in the income of, and capital gains or capital losses realized by, a Non-Resident Holder.

Notes

Interest on and Disposition of the Notes

Under the Tax Act, interest, principal and premium, if any, paid or credited, or deemed to be paid or credited to a Non-Resident Holder on Notes will be exempt from Canadian non-resident withholding tax. No other taxes on income (including taxable capital gains) will be payable under the Tax Act in respect of the acquisition, holding, redemption or disposition of Notes, or the receipt of interest, premium or principal thereon by a Non-Resident Holder solely as a consequence of such acquisition, holding, redemption or disposition of Notes.

Automatic Delivery Event

An Automatic Delivery Event will result in a disposition of Notes for purposes of the Tax Act. A Non-Resident Holder will not generally be subject to tax under the Tax Act in respect of such disposition. The cost of a Series 2021-A Preferred Share received pursuant to such Automatic Delivery Event will generally equal the fair market value of such Series 2021-A Preferred Share on the date of acquisition and will be averaged with the adjusted cost base of all other Series 2021-A Preferred Shares held by such Non-resident Holder as capital property immediately before such time for the purpose of determining thereafter the adjusted cost base of each such share.

Series 2021-A Preferred Shares

Dividends

A dividend (including a deemed dividend) paid or credited on the Series 2021-A Preferred Shares to a Non-Resident Holder will generally be subject to Canadian non-resident withholding tax under the Tax Act at a rate of 25%, subject to any reduction in the rate of such withholding under the provisions of an applicable income tax treaty or convention. For a Non-Resident Holder who is a resident of the United States and qualifies for the benefits of the *Canada-United States Tax Convention*, the rate of withholding will generally be reduced to 15%.

Dispositions of Series 2021-A Preferred Shares

A Non-Resident Holder of Series 2021-A Preferred Shares who disposes of or is deemed to dispose of Series 2021-A Preferred Shares (other than as discussed under "*Acquisitions by the Corporation of Series 2021-A Preferred Shares*" below) will not be subject to tax in respect of any capital gain realized on a disposition of Series 2021-A Preferred Shares unless such Series 2021-A Preferred Shares constitute "taxable Canadian property" (as defined in the Tax Act) to the Non-Resident Holder at the time of the disposition and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention. The Series 2021-A Preferred Shares will be considered taxable Canadian property if such Series 2021-A Preferred Shares are not listed on a "designated stock exchange" (as defined in the Tax Act, and which currently includes the Toronto Stock Exchange and the New York Stock Exchange) and, at any time during the 60-month period immediately preceding the disposition, such Series 2021-A Preferred Shares derived (directly or indirectly) more than 50 percent of their fair market value from real or immovable property situated in Canada, Canadian resource properties, timber resource properties or options in respect of, or interests in, or for civil law rights in, any such property, all as defined for the purposes of the Tax Act.

The disposition by a Non-Resident Holder of Series 2021-A Preferred Shares that are taxable Canadian property (other than "treaty-exempt property" as defined in the Tax Act) at the time of their disposition may be subject to certain withholding and reporting requirements under section 116 of the Tax Act.

Where the Series 2021-A Preferred Shares are considered taxable Canadian property to the Non-Resident Holder, a disposition or deemed disposition of such Series 2021-A Preferred Shares (other than as discussed below under "Acquisitions by the Corporation of Series 2021-A Preferred Shares") will generally give rise to a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of such Series 2021-A Preferred Shares, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such Series 2021-A Preferred Shares to the Non-Resident Holder's income for that year and one half of any such capital loss must be deducted against taxable capital gains realized in that year from dispositions of taxable Canadian property. Certain excess allowable capital losses from the dispositions of taxable Canadian property may be claimed in any of the three preceding taxation years or any subsequent taxation year subject to the rules contained in the Tax Act.

Non-Resident Holders whose Series 2021-A Preferred Shares may be taxable Canadian property should consult their own tax advisors.

Acquisitions by the Corporation of Series 2021-A Preferred Shares

If the Corporation redeems for cash or otherwise acquires the Series 2021-A Preferred Shares, other than by a purchase in the open market in the manner in which Series 2021-A Preferred Shares are normally purchased by a member of

the public in the open market, the Non-Resident Holder will be deemed to have received a dividend equal to the amount, if any, paid by the Corporation in excess of the paid-up capital of such Series 2021-A Preferred Shares for purposes of the Tax Act at such time. Such deemed dividend will be subject to the treatment described above under "*Dividends*". The difference between the amount paid and the amount of the deemed dividend will be treated as proceeds of disposition for the purposes of computing the capital gain or capital loss arising on a disposition of such Series 2021-A Preferred Shares. See "*Dispositions of Series 2021-A Preferred Shares*" above.

CREDIT RATINGS

As of the date of this Prospectus Supplement, DBRS Morningstar ("**DBRS**") has assigned the Corporation a public "Issuer Rating" of BBB with a stable trend and S&P Global Ratings ("**S&P**") has assigned the Corporation a "Long-Term Corporate Credit Rating" of BBB with a stable outlook. A description of the rating agencies' credit ratings is included under the heading "*Description of the Capital Structure of Pembina - Credit Ratings*" in the AIF.

The Notes have been assigned a provisional rating of BB (high) with a stable trend by DBRS and BB+ by S&P.

DBRS's credit ratings for debt instruments range from "AAA" to "D", which represents the range from highest to lowest quality of such securities rated. The "BB" rating category is the fifth highest rating used by DBRS and, in DBRS's view, denotes speculative, non-investment grade credit quality. The capacity for the payment of financial obligations is uncertain and the entity is vulnerable to future events. DBRS uses "(high)" and "(low)" designations on ratings from "AA" to "C" to indicate the relative standing of securities being rated within a particular rating category. The absence of either a "(high)" or "(low)" designation indicates that a rating is in the middle of the category.

S&P's credit ratings for long-term debt instruments range from "AAA" to "D", which represents the range from highest to lowest quality of such securities rated. The "BB" rating category is the fifth highest rating used by S&P and, according to the S&P rating system, an obligation rated "BB" is regarded as having significant speculative characteristics. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposure to adverse conditions. In addition, the ratings from "AA" to "CCC" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories.

Prospective purchasers of the Notes should consult the relevant rating organization with respect to the interpretation and implications of the foregoing expected ratings.

The Corporation will pay fees to each of S&P and DBRS for the credit ratings to be rendered on the Notes. The Corporation has also paid fees to each of S&P and DBRS for credit ratings provided on other outstanding securities of the Corporation. Additional information relating to such other ratings is included under "*Description of the Capital Structure of Pembina – Credit Ratings*" in the AIF. Other than those payments made in respect of credit ratings, no additional payments have been made to either of S&P or DBRS for any other services provided to the Corporation during the past two years.

Credit ratings are intended to provide investors with an independent measure of the credit quality of an issue of securities. Credit ratings are not recommendations to purchase, hold or sell securities and do not address the market price or suitability of a specific security for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgment, circumstances so warrant.

PLAN OF DISTRIBUTION

Pursuant to an underwriting agreement dated January ●, 2021 (the "**Underwriting Agreement**") among the Corporation and the Underwriters, the Corporation has agreed to sell an aggregate of $● principal amount of Notes to the Underwriters, and the Underwriters have severally (and not jointly or jointly and severally) agreed to purchase from the Corporation, as principals, such Notes at a price of ●% of the principal amount of the Notes payable in cash to the Corporation against delivery of the Notes on the Closing Date. The Underwriting Agreement provides that the Corporation will pay the Underwriters a fee of ●% of the aggregate principal amount of the Notes, for an aggregate

fee payable by the Corporation to the Underwriters of $●, in consideration of the Underwriters' services in connection with the offering of the Notes (the "**Underwriting Fee**"). The Underwriting Fee is payable on the Closing Date, along with the expenses of the offering of the Notes, which are estimated to be $● and will be paid from the general funds of the Corporation or the proceeds of the offering of Notes or a combination thereof.

The terms of the offering of the Notes were established through negotiations among the Corporation and the Joint Lead Underwriters, on their own behalf and on behalf of the other Underwriters.

The Series 2021-A Preferred Shares qualified by this Prospectus Supplement will be issued to the Holding Trust Trustee, in its capacity as trustee for the Holding Trust. No underwriter has been involved in the offering of the Series 2021-A Preferred Shares qualified by this Prospectus Supplement. The offering price of the Series 2021-A Preferred Shares was established by the Corporation.

The Underwriters propose to initially offer the Notes to the public at the public offering price set forth on the cover page of this Prospectus Supplement. Subject to applicable laws and without affecting the firm obligation of the Underwriters to purchase the Notes from the Corporation at a price of ●% of the principal amount of the Notes in accordance with the Underwriting Agreement, after the Underwriters have made reasonable efforts to sell all of the Notes offered by this Prospectus Supplement at such price, the offering price to the public for the Notes may be decreased and may be further changed from time to time to an amount not greater than the price specified on the cover page of this Prospectus Supplement. In the event that the offering price of the Notes is reduced, the compensation received by the Underwriters will be decreased by an amount equal to the amount by which the aggregate price paid by the purchasers for the Notes is less than the gross proceeds paid by the Underwriters to the Corporation for the Notes. Any such reduction will therefore not affect the proceeds received by the Corporation.

Subscriptions for Notes will be received subject to rejection or allotment, in whole or in part, and the right is reserved to close the subscription books at any time without notice.

Pursuant to the Underwriting Agreement, the Corporation has agreed that it will not, from January ●, 2021 until 60 days after the Closing Date, directly or indirectly, sell, agree or offer to sell, grant any option for the sale of, or otherwise dispose of any subordinated debt or any other securities with provisions or characteristics similar to the Notes, or announce such intention, without the prior written consent of ● and ●, on behalf of the Underwriters, such consent not to be unreasonably withheld or delayed.

The Securities have not been and will not be registered under the U.S. Securities Act, or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act), except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws.

The Notes and the Series 2021-A Preferred Shares are each new issues of securities with no established trading market. Neither the Notes nor the Series 2021-A Preferred Shares will be listed on any securities exchange or on any automated dealer quotation system, nor does the Corporation have any obligation to list the Notes or the Series 2021-A Preferred Shares on any securities exchange or on any automated dealer quotation system. The Corporation has been advised that the Underwriters may make a market in the Notes but are not obligated to do so and may discontinue any market-making activities at any time without notice. No assurance can be given as to the liquidity of the trading market for the Securities or that an active public market for the Securities will develop.

The obligations of the Underwriters under the Underwriting Agreement are several (and not joint or joint and several), and each Underwriter is entitled, at its option, to terminate and cancel its obligations under the Underwriting Agreement, without any liability on its part if, prior to the closing time on the Closing Date, among other things: (a) any order to cease or suspend trading in any securities of the Corporation or prohibiting or restricting the distribution of any of the Securities is made, or proceedings are announced, commenced or threatened for the making of any such order, by any securities commission or similar regulatory authority, by the TSX or the New York Stock Exchange or by any other competent authority, and has not been rescinded, revoked or withdrawn; (b) any inquiry, investigation or other proceeding (whether formal or informal) is announced, commenced or threatened or any order or ruling is issued (and has not been rescinded, revoked or withdrawn) by any securities commission or similar regulatory authority, by the TSX or the New York Stock Exchange or by any other competent authority or there is a change in law, regulation

or policy or the interpretation or administration thereof, if, in the reasonable opinion of the Underwriters or any of them, the change, announcement, commencement, threatening or issuing thereof materially adversely affects the trading or distribution of the Notes or the Series 2021-A Preferred Shares; (c) there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence or any law or regulation which, in the opinion of the Underwriters or any of them, seriously adversely affects, or involves, or will seriously adversely affect, or involve, the financial markets generally or the business, operations or affairs of the Corporation and its subsidiaries taken as a whole; (d) there shall be any adverse change in the assigned ratings on the Notes by S&P or DBRS or if either S&P or DBRS shall have publicly announced that it has placed its rating of the Notes under surveillance or review, with possible negative or uncertain implications; (e) there has been, or has been announced by the appropriate governmental authority, any change or any proposed change in the Tax Act, the regulations thereunder, current administrative decisions or any other applicable laws (including case law) or rules which, in any such case, in the Underwriters' opinion could be reasonably expected to have a material adverse effect on the market price, value or marketability of the Notes or the Series 2021-A Preferred Shares; or (f) there should occur any material change or change in a material fact or the Underwriters become aware, whether as a result of their due diligence review or otherwise, of any material fact with respect to the Corporation or any of its subsidiaries or the Holding Trust, which had not been publicly disclosed at or prior to the date of the Underwriting Agreement, in either case which, in the reasonable opinion of the Underwriters or any of them, would be expected to have a significant adverse effect on the market price or value of the Notes or the Series 2021-A Preferred Shares.

If an Underwriter fails to purchase the Notes that it has agreed to purchase pursuant to the Underwriting Agreement, the other Underwriters may, but are not obligated to, purchase such Notes, provided that, if the aggregate number of Notes not purchased is 12% or less of the aggregate number of Notes agreed to be purchased by the Underwriters, then each of the other Underwriters is obligated to purchase severally the Notes not taken up, on a pro rata basis or as they may otherwise agree as among themselves. If the aggregate number of Notes not purchased is greater than 12% of the aggregate number of Notes agreed to be purchased by the Underwriters, then each of the other Underwriters shall be relieved of its obligations to purchase its respective percentage of the Notes, subject to the terms and conditions of the Underwriting Agreement. The Underwriters are, however, obligated to take up and pay for all Notes if any Notes are purchased under the Underwriting Agreement. The Underwriting Agreement also provides that the Corporation will indemnify and hold harmless the Underwriters and their respective affiliates and each of their respective directors, officers, employees and agents against certain liabilities and expenses.

Price Stabilization, Short Positions and Passive Market-Making

Pursuant to applicable securities legislation, the Underwriters may not, throughout the period of distribution under this Prospectus Supplement, bid for or purchase Notes. The foregoing restriction is subject to exceptions, on the condition that the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, the Notes. These exceptions include a bid or purchase permitted under the Universal Market Integrity Rules for Canadian Marketplaces of the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market-making activities and a bid or purchase made for, and on behalf of, a customer where the order was not solicited during the period of distribution. Under the first-mentioned exception, in connection with the offering of Notes, the Underwriters may over-allocate or effect transactions that stabilize or maintain the market price of the Notes at a level above that which might otherwise prevail in the open market. The Underwriters are not required to engage in these activities and may end any of these activities at any time.

RELATIONSHIP AMONG THE CORPORATION AND CERTAIN UNDERWRITERS

The Underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Corporation. They have received, and may receive, customary fees and commissions for these transactions. Under applicable Canadian securities legislation, the Corporation may be considered to be a "connected issuer" of each of ●, ● and ●, each of which is a subsidiary or affiliate of one of the Corporation's and/or its affiliates' lenders.

As at September 30, 2020, the Corporation and its subsidiaries were indebted to the lenders under these credit facilities in the aggregate amount of approximately $●. As at the date hereof, the credit facilities are unsecured and the Corporation and its subsidiaries, as applicable, are in compliance with the terms of such credit facilities and none of the lenders thereunder has waived a breach of the agreement governing such credit facilities since their respective

execution. The financial position of the Corporation has not changed substantially and adversely since the indebtedness under such credit facilities was incurred.

None of the lenders were involved in the decision to offer the Notes and none will be involved in the determination of the terms of the distribution of the Notes. The offering of the Notes has not been required, suggested or consented to by a lender. As a consequence of the sale of the Notes under this Prospectus Supplement, each of the Underwriters will receive a commission on the principal amount of any Notes sold through such Underwriter. See "*Plan of Distribution*".

A portion of the net proceeds from the offering of the Notes may be used to reduce the indebtedness of the Corporation to such lenders. See "*Use of Proceeds*".

In addition, in the ordinary course of their business activities, the Underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Corporation or its affiliates. Certain of the Underwriters or their affiliates that have a lending relationship with the Corporation routinely hedge, certain other of those Underwriters or their affiliates are likely to hedge, and certain other of those Underwriters or their affiliates may hedge, their credit exposure to the Corporation, consistent with their customary risk management policies. Typically, such Underwriters and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Corporation's securities, including potentially the Notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes offered hereby.

RISK FACTORS

An investment in the Securities is subject to various risks, including those set out in this Prospectus Supplement, those set out in, or incorporated by reference into, the Prospectus and those inherent in the industries in which Pembina operates. Before deciding whether to invest in any Notes, potential investors should consider carefully the risks set out herein, as well as those set out in, or incorporated by reference into, the Prospectus. As an investment in the Notes may become an investment in Series 2021-A Preferred Shares following the occurrence of an Automatic Delivery Event, potential investors should consider the risks set out in this Prospectus Supplement and those set out in, or incorporated by reference into, the Prospectus regarding the Series 2021-A Preferred Shares and the Class A Preferred Shares, in addition to the risks relating to the Notes. Prospective investors should also consider the categories of risks identified and discussed in the AIF, the Annual MD&A and the Interim MD&A, which are incorporated by reference into the Prospectus.

Ongoing Impact of the COVID-19 Pandemic

COVID-19 Pandemic Related Impacts

Pembina's business and operations have been and may continue to be materially adversely affected by the COVID-19 pandemic, including ongoing uncertainty with respect to the extent and duration of the pandemic. The ongoing COVID-19 pandemic, and actions that have, and may be, taken by governmental authorities in response thereto has resulted, and may continue to result in, among other things: an overall slowdown in the global economy; a decrease in global energy demand; increased volatility in financial and commodity markets; disruptions to global supply chains; labour shortages; significant impacts to the workforce; reductions in trade volumes; temporary operational restrictions and restrictions on gatherings of individuals, as well as shelter-in-place declarations and quarantine orders; business closures and travel bans; political and economic instability; and civil unrest. The recent resurgence of the COVID-19 virus and the recent spread of a new variant thereof in certain geographic areas, including certain areas in which we operate, and the possibility that a resurgence of the COVID-19 virus or the spread of such new or other variants or mutations thereof may occur in other areas, has resulted in the re-imposition of certain of the foregoing restrictions, and may result in further restrictions, by governmental authorities in certain jurisdictions, including certain jurisdictions in which we operate. This further increases the risk and uncertainty as to the extent and duration of the COVID-19 pandemic and its ultimate impact on the global economy and other items noted above.

The risks to Pembina of the ongoing COVID-19 pandemic include, among other things: risks to the health and safety of Pembina's employees; a slowdown or temporary suspension of operations in certain geographic locations in which Pembina operates; delays in the completion, or deferral, of Pembina's growth and expansion projects; and supply chain disruptions, all or any of which could materially adversely impact Pembina's business operations and financial results. Pembina has already deferred certain growth projects as a result of the COVID-19 pandemic and resulting decline in global energy demand and the resulting decrease in commodity prices during 2020. The full extent and impact of the COVID-19 pandemic continues to be unknown at this time and the degree to which it may impact Pembina's business operations and financial results will depend on future developments, which are highly uncertain and cannot be predicted with any degree of certainty, including: the duration, severity and geographic spread of the COVID-19 virus and variants and mutations thereof, including in respect of the recent resurgence of the virus and the recent spread of a new variant thereof in certain geographic areas, including certain areas in which Pembina operates; further actions that may be taken by governmental authorities, including in respect of travel restrictions and business disruptions; the effectiveness and timing of actions taken to contain and treat the COVID-19 virus and variants and mutations thereof, including the vaccines developed in response thereto; and how quickly and to what extent normal economic and operating conditions can resume.

To the extent that the COVID-19 pandemic, or any future epidemics or pandemics, causes material adverse impacts to the Corporation's business and operations, the global economy and/or financial markets, there may be an impact on any trading market for, or trading value of, the Notes.

COVID-19 Pandemic Impact on Other Risks

Depending on the extent and duration of the COVID-19 pandemic, it may also have the effect of heightening many of the other risks described in this Prospectus Supplement and those set out in, or incorporated by reference into, the Prospectus, including the risks relating to Pembina's exposure to commodity prices; the successful completion of Pembina's growth and expansion projects, including the expected return on investment thereof; Pembina's ability to maintain its credit ratings; restricted access to capital and increased borrowing costs; Pembina's ability to pay dividends and service obligations under its debt securities and other debt obligations; and otherwise complying with the covenants contained in the agreements that govern Pembina's indebtedness.

Risks Inherent in the Securities

The Notes and the Series 2021-A Preferred Shares involve significant risks. Each potential purchaser of the Notes must determine the suitability (either alone or with the help of a financial adviser) of such an investment in light of its own circumstances. In particular, each potential investor should understand thoroughly the terms of the Notes and the Series 2021-A Preferred Shares. A potential investor should not invest in the Notes unless it has the knowledge and expertise (either alone or with a financial advisor) to evaluate, among other things: (a) how the Notes will perform under changing conditions; (b) the value of the Notes; and (c) the impact of an investment in the Notes on the potential investor's overall investment portfolio. Prior to making an investment decision, potential investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information contained in this Prospectus Supplement and contained in, or incorporated by reference into, the Prospectus.

Credit Ratings Subject to Change

Real or anticipated changes in the credit ratings assigned to the Notes may affect the market value of the Notes. In addition, real or anticipated changes in the Corporation's credit ratings could also affect the cost at which the Corporation can transact or obtain funding, and thereby affect the Corporation's liquidity, business, financial condition or results of operations. There is no assurance that any rating assigned to the Notes will remain in effect for any given period of time or that any such rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgment, circumstances so warrant. See "*Credit Ratings*". In addition, refer to the Annual MD&A and the Interim MD&A, incorporated by reference into the Prospectus, for a further discussion of, among other things, known material trends and events, and risks or uncertainties that are reasonably expected to have a material effect on the Corporation's business, financial condition or results of operations.

Limited Remedies Available to Noteholders in the Event of an Automatic Delivery Event

At the Delivery Time, the recourse of each Noteholder will be limited to such Noteholder's proportionate share of the Holding Trust Assets in respect of the Notes, and, upon delivery of such Holding Trust Assets, all claims of the Noteholders against the Corporation under the Notes will be extinguished. At such time, each Noteholder will receive one Series 2021-A Preferred Share for each $1,000 principal amount of Notes held immediately prior to the Delivery Time, as well as such Noteholder's proportionate share of any Holding Trust Assets in respect of the Notes not being Series 2021-A Preferred Shares. The delivery of the applicable Holding Trust Assets in respect of the Notes to a Noteholder shall be in full satisfaction of the corresponding Notes and shall extinguish all remedies of such Noteholder against the Corporation in respect of such Notes. The market value of the Holding Trust Assets in respect of the Notes could be significantly less than the aggregate amount owing by the Corporation to the Noteholders as of the Delivery Time. In case of any shortfall resulting from the value of the Holding Trust Assets in respect of the Notes being less than the principal amount of, and any accrued and unpaid (including deferred, as applicable) interest on, the Notes, all losses arising from such shortfall shall be borne by such Noteholders and no claim may be made against the Corporation in respect of such losses. See "*Description of the Notes – Automatic Delivery Event*".

Subordination to Senior Indebtedness

The Notes will be direct unsecured debt obligations constituting Subordinated Indebtedness of the Corporation and, accordingly, in the event of a liquidation, dissolution or winding-up of the Corporation, the payment of principal and interest on, and the applicable redemption price for, the Notes, as provided in the Indenture, will be subordinated in right of payment to the prior payment in full of all Senior Indebtedness of the Corporation then outstanding. The Corporation will not be permitted to make any payments on the Notes if the Corporation defaults 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 the Corporation does 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 Senior Indebtedness or if the terms of such Senior Indebtedness otherwise restrict the Corporation from making payments to subordinated creditors. See "*Description of the Notes – Subordination*". The Corporation's Senior Indebtedness as of January ●, 2021 was approximately $●.

In addition to the contractual subordination described above, the Notes are not guaranteed by the Corporation's subsidiaries and are accordingly structurally subordinated to all of the debt of these subsidiaries. As of January ●, 2021, the long-term debt (excluding current portion, non-recourse debt, subordinated debt, guarantees and intercompany obligations between the Corporation and its subsidiaries) of the Corporation and its subsidiaries totaled approximately $●.

The Indenture does not restrict the Corporation's ability to incur liens. Lienholders will have a claim on the assets securing their indebtedness that is prior in right of payment to the Corporation's general unsecured creditors, including the Noteholders.

Furthermore: (a) in the event of a liquidation, dissolution or winding-up 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 Series 2021-A Preferred Shares; and (b) at the Delivery Time, the recourse of each Noteholder will be limited to such Noteholder's proportionate share of the Holding Trust Assets in respect of the Notes, and, upon delivery of such Holding Trust Assets, all claims of the Noteholders against the Corporation under the Notes will be extinguished.

No Limit on Issuance of Senior or Pari Passu Securities Under the Indenture

The Indenture will not contain any financial covenants and will contain only limited restrictive covenants. In particular, although certain of the Corporation's existing financing arrangements limit the Corporation's ability to create, issue or incur additional indebtedness, neither the Corporation nor its subsidiaries will be subject to any such restrictions under the Indenture. Furthermore, the Indenture will not limit the Corporation's or its subsidiaries' ability to issue or repurchase securities or engage in transactions with affiliates. The Corporation's ability to incur additional indebtedness and use its funds for any purpose in the Corporation's discretion may increase the risk that the Corporation may be unable to service its debt, including its obligations under the Notes. In addition, if the Corporation

becomes insolvent, is dissolved or is wound-up, the Corporation's assets must be used to satisfy the Corporation's outstanding indebtedness, including Subordinated Indebtedness, before payments may be made on the Series 2021-A Preferred Shares, if any, and other Class A Preferred Shares. As such, insofar as Noteholders may become Series 2021-A Preferred Shareholders as a consequence of an Automatic Delivery Event, any further issuances by the Corporation of debt securities will reduce the likelihood that Series 2021-A Preferred Shareholders will receive any payments in respect of Series 2021-A Preferred Shares held.

Exchange of Notes for Series 2021-A Preferred Shares

At the Delivery Time, the recourse of each Noteholder will be limited to such Noteholder's proportionate share of the Holding Trust Assets in respect of the Notes, and, upon delivery of such Holding Trust Assets, all claims of the Noteholders against the Corporation under the Notes will be extinguished. At such time, the Holding Trust Assets in respect of the Notes are expected to be comprised solely of the Series 2021-A Preferred Shares. The circumstances constituting an Automatic Delivery Event include, but are not limited to, circumstances in which the Corporation makes a general assignment for the benefit of its creditors or a proposal under Canadian bankruptcy or insolvency legislation. As a result, you may become a Series 2021-A Preferred Shareholder at a time when the Corporation's financial condition is deteriorating or when the Corporation has become insolvent or has been ordered to be wound-up or liquidated. In the event of the Corporation's liquidation, the claims of the Corporation's creditors (including holders of Subordinated Indebtedness) would be entitled to priority of payment over Series 2021-A Preferred Shareholders. If the Corporation were to become insolvent or were to be ordered to be wound-up or liquidated after your investment in the Notes has become an investment in Series 2021-A Preferred Shares, you may receive, if anything, substantially less than you would have received as a holder of subordinated notes that are not subject to a feature similar to the limited recourse upon the occurrence of an Automatic Delivery Event.

No Market for the Securities

The Notes and the Series 2021-A Preferred Shares are each new issues of securities with no established trading market. 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 Joint Lead Underwriters, on their own behalf and on behalf of the other Underwriters. The price paid for each Note may bear no relationship to the price at which the Series 2021-A Preferred Shares may, if issued, trade subsequent to the offering of the Notes.

Neither the Notes nor the Series 2021-A Preferred Shares will be listed on any securities exchange or on any automated dealer quotation system, nor does the Corporation have any obligation to list the Notes or the Series 2021-A Preferred Shares on any securities exchange or on any automated dealer quotation system. The Corporation has been advised that the Underwriters may make a market in the Notes, but the Underwriters are not obligated to do so and may discontinue any market-making activities at any time without notice. In addition, the ability of a Noteholder to pledge Notes or otherwise take action with respect to such Noteholder's interest in the Notes (other than through a participant in CDS through which the Notes are held) may be limited due to the lack of a physical certificate.

The foregoing may affect the pricing of the Securities in the secondary market, the transparency and availability of trading prices and the liquidity of the Securities. Accordingly, there can be no assurance that purchasers of the Notes will be able to resell their Notes or Series 2021-A Preferred Shares, as applicable, for an aggregate amount that is in excess of their initial investment.

Where Series 2021-A Preferred Shares are "taxable Canadian property" and not "treaty-exempt property" (both as defined in the Tax Act) of a Non-Resident Holder at the time of their disposition, such holder generally will be required to satisfy certain obligations imposed under section 116 of the Tax Act, in the absence of which a purchaser who intends to acquire such Series 2021-A Preferred Shares would be entitled to withhold 25% of the purchase price therefor. As a result of these administrative requirements, Series 2021-A Preferred Shares that are taxable Canadian property and not treaty exempt property of a non-resident holder may be less liquid than otherwise may be the case. See "*Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Series 2021-A Preferred Shares*".

Deferral of Interest Payments

So long as no Event of Default has occurred and is continuing, the Corporation may elect, at its option, on any date other than an Interest Payment Date, 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 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 or the Notes.

Structural Subordination

The Corporation carries on its business through subsidiaries and the majority of the Corporation's assets are held in its subsidiaries. The Corporation's results of operations and ability to service indebtedness, including the Notes, are dependent upon the results of operations of these subsidiaries and the payment of funds by these subsidiaries to the Corporation in the form of loans, dividends or otherwise. In the event of the liquidation of any subsidiary, the assets of the subsidiary would be used first to repay the subsidiary's indebtedness, including trade payables or obligations under any guarantees, prior to being used by the Corporation to pay its indebtedness, including any Notes. The Indenture does not limit the Corporation's ability, or the ability of its subsidiaries, to incur additional unsecured indebtedness.

No Additional Amounts Payable on Dividends

Under applicable law, dividends paid, or deemed to be paid, to Series 2021-A Preferred Shareholders that are non-residents of Canada for purposes of the Tax Act are generally subject to Canadian non-resident withholding tax as described under "*Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Series 2021-A Preferred Shares – Dividends*" and "*Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Series 2021-A Preferred Shares –Acquisitions by the Corporation of Series 2021-A Preferred Shares*". However, no additional amount in respect of withholding or deduction for any taxes imposed by any taxing authority will be paid by the Corporation on dividends paid, or deemed to be paid, on the Series 2021-A Preferred Shares.

Interest Rate Risk

Future trading prices of the Notes will depend on many factors, including prevailing interest rates, foreign exchange movements, the market for similar securities, general economic conditions and the Corporation's financial condition, performance, prospects and other factors. In particular, prevailing interest rates will affect the market value of the Notes. Assuming all other factors remain unchanged, the market value of the Notes will decline as prevailing interest rates for comparable debt instruments rise, and increase as prevailing interest rates for comparable debt instruments decline. If any of the Notes are traded after their initial issuance, they may trade at a discount from their initial offering price.

Fluctuations in the Market Value of the Series 2021-A Preferred Shares

In the event that the Series 2021-A Preferred Shares are delivered, as Holding Trust Assets in respect of the Notes, to Noteholders upon the occurrence of an Automatic Delivery Event, prevailing yields on similar securities will affect the market value of such Series 2021-A Preferred Shares. Assuming all other factors remain unchanged, the market value of the Series 2021-A Preferred Shares will decline as prevailing yields for similar securities rise, and will increase as prevailing yields for similar securities decline. Spreads over the Five Year Government of Canada Yield (Dividend) and other comparable benchmark rates of interest for similar securities will also affect the market value of the Series 2021-A Preferred Shares.

Ranking of Series 2021-A Preferred Shares on Insolvency, Dissolution or Winding-up

The Series 2021-A Preferred Shares are equity securities of the Corporation. The Series 2021-A Preferred Shares will rank equally with other Class A Preferred Shares in the event of an insolvency, dissolution or winding-up of the Corporation. If the Corporation becomes insolvent, is dissolved or is wound-up, the Corporation's assets must be used

to satisfy the Corporation's outstanding indebtedness, including Subordinated Indebtedness, before payments may be made on the Series 2021-A Preferred Shares and other Class A Preferred Shares.

Interest Rate Reset

Following January ●, 2031, the interest rate in respect of the Notes will reset every five years. In each case, the new interest rate is unlikely to be the same as, and may be lower than, the interest rate for the applicable preceding interest rate period. See "*Description of the Notes – Payment of Interest and Maturity of the Notes*".

Redemption of Notes

The Corporation may elect to redeem the Notes, or the Notes may be automatically redeemed, without the consent of Noteholders in the circumstances described under "*Description of the Notes – Redemption of the Notes*" and "*Description of the Series 2021-A Preferred Shares – Redemption of the Series 2021-A Preferred Shares*". The Corporation's ability to redeem the Notes at its option is likely to limit the market value of the Notes. If the Corporation elects to redeem the Notes, there is a risk that the Notes may be redeemed at times when the redemption proceeds are less than the current market value of the Notes or when prevailing interest rates may be relatively low, in which latter case Noteholders may only be able to reinvest the redemption proceeds in securities with a lower yield. Potential investors should consider reinvestment risk in light of other investments available at the time and consider potential uncertainty with respect to both the rate of interest payable on the Notes, which may fluctuate, and with respect to the length of the remaining term of the Notes, which will be dependent upon whether the Notes are redeemed prior to the Maturity Date.

Dividend Rate Reset

Following January ●, 2031, the dividend rate in respect of the Series 2021-A Preferred Shares will reset every five years. The new dividend rate is unlikely to be the same as, and may be lower than, the dividend rate for the applicable preceding dividend period. See "*Description of the Series 2021-A Preferred Shares – Dividends*".

Board Discretion and Legal Restrictions on the Payment of Dividends

Series 2021-A Preferred Shareholders will not have a right to dividends on the Series 2021-A Preferred Shares unless declared by the 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 financing 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 Series 2021-A Preferred Shares. In addition, pursuant to the ABCA, the Corporation may not declare or pay a dividend if there are reasonable grounds for believing that: (a) the Corporation is, or would after the payment be, unable to pay its liabilities as they become due; or (b) 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.

No Maturity Date or Series 2021-A Preferred Shareholder Redemption on Series 2021-A Preferred Shares

The Series 2021-A Preferred Shares do not have a fixed maturity date and are not redeemable at the option of the Series 2021-A Preferred Shareholders. The ability of a Series 2021-A Preferred Shareholder to liquidate its holdings of Series 2021-A Preferred Shares may be limited.

Redemption of Series 2021-A Preferred Shares

The Corporation may elect to redeem the Series 2021-A Preferred Shares without the consent of the Series 2021-A Preferred Shareholders in the circumstances described under "*Description of the Series 2021-A Preferred Shares – Redemption of the Series 2021-A Preferred Shares*". In the event that the Series 2021-A Preferred Shares are redeemed

while the Series 2021-A Preferred Shares are held by the Holding Trust Trustee, in its capacity as trustee for the Holding Trust, outstanding Notes with an aggregate principal amount equal to the aggregate issue price of the Series 2021-A Preferred Shares redeemed will be automatically redeemed.

Limited Voting Rights

Subject to the provisions of the ABCA and the limited exceptions described under "*Description of the Series 2021-A Preferred Shares – Voting Rights*", Series 2021-A Preferred Shareholders will not be entitled to receive any notice of, to attend or to vote at any meeting of Shareholders. See "*Description of the Series 2021-A Preferred Shares – Voting Rights*".

AUDITORS, REGISTRAR AND TRANSFER AGENT

The auditors of the Corporation are KPMG LLP, Chartered Professional Accountants, Calgary, Alberta, Canada.

The registrar and transfer agent for the Series 2021-A Preferred Shares will be Computershare Trust Company of Canada, at its principal offices in Calgary, Alberta and Toronto, Ontario.

The registrar and trustee for the Notes will be Computershare Trust Company of Canada, at its principal offices in Calgary, Alberta and Toronto, Ontario.

LEGAL MATTERS

Certain legal matters relating to this offering will be passed upon, on behalf of the Corporation, by Blake, Cassels & Graydon LLP and, on behalf of the Underwriters, by Stikeman Elliott LLP.

INTERESTS OF EXPERTS

As at the date of this Prospectus Supplement, the partners and associates of Blake, Cassels & Graydon LLP, as a group, and the partners and associates of Stikeman Elliott LLP, as a group, each beneficially own, directly or indirectly, less than one percent of any class of securities of the Corporation.

KPMG LLP has confirmed that they are independent with respect to the Corporation within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations and also that they are independent accountants with respect to the Corporation under all relevant United States professional and regulatory standards.

CERTIFICATE OF THE UNDERWRITERS

Dated: January ●, 2021

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces of Canada.

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By: (signed) "●"