

Maritimes & Northeast Pipeline

Code of Conduct

General

This Code of Conduct will govern the relationship between Maritimes & Northeast Pipeline Limited Partnership (“M&NP”) and the following parties (“Affiliates”): (i) M&NP’s partners (“Partner”); (ii) any company or partnership (“Parent”) that directly or indirectly owns more than a ten percent voting interest in a Partner; and (iii) any company or partnership in which M&NP, a Partner or a Parent directly or indirectly owns more than a ten percent voting interest. M&NP is committed to ensuring the long-term viability of its transportation system (the “System”) through the efficient and cost effective maximization of System utilization. The term "M&NP Personnel" as used in this Code of Conduct means all M&NP employees and employees of St. Clair Pipelines (1996) Ltd., to the extent such employees perform work for M&NP.

No Preferential Treatment

In the administration of M&NP’s tariff, contracts and operations and including the provision of information in a timely manner to all customers, M&NP will at all times treat its customers equally. M&NP will not give preferential access to the System to Affiliates, M&NP will not favour its Affiliates in the disposition of regulated assets and M&NP will not favour or otherwise state or imply that favoured service or treatment will be afforded to any shipper on the System.

Separation

M&NP's business and affairs will be managed and conducted separately from the business and affairs of Affiliates, except as required to fulfill corporate governance, policy and strategic direction responsibilities of a group of businesses as a whole. M&NP will maintain separate financial records and books of accounts.

Provision of Goods and Services to Affiliates

In order to ensure that the regulated component of M&NP does not cross-subsidize any Affiliate, M&NP will document services and fees charged to Affiliates and will be paid appropriately for all goods and services provided by M&NP to Affiliates. M&NP shall provide all goods and services to Affiliates at fair market value except where a fair market value is not available, in which case M&NP shall provide such goods and services at no less than M&NP's cost-based price, unless doing so is determined by the NEB to not be in the interest of M&NP's customers. For the purposes of this Code of Conduct, M&NP shall determine fair market value by reasonable and prudent means, including, but not limited to, a tendering process.

Procurement of Goods and Services from Affiliates

In order to ensure that the regulated component of M&NP does not cross-subsidize any Affiliate, M&NP will document services and fees charged by Affiliates and will pay appropriately for all goods and services procured by M&NP from Affiliates. M&NP shall procure all goods and services from Affiliates at fair market value except where a fair market value is not available, in which case M&NP shall procure such goods and services at no more than M&NP's cost-based price, unless doing so is determined by the NEB to not be in the interest of M&NP's customers. For the purposes of this Code of Conduct, M&NP shall determine fair market value by reasonable and prudent means, including, but not limited to, a tendering process.

Information Kept Confidential

M&NP will not use, and M&NP will require that its Affiliates agree not to use, any information or data that is provided to M&NP by third parties for System purposes to advance the activities of Affiliates unless that information or data is also available generally to third parties or has been given to M&NP on the express written understanding that it may also be used in connection with the activities of Affiliates.

Record Keeping and Reporting

M&NP shall maintain updated records in a form and manner as agreed to by M&NP and its shippers and acceptable to the NEB so as to be able to substantiate compliance with this Code. In addition to the information requirements of this Code, M&NP shall provide such further information as may be requested by the NEB with respect to Affiliate transactions.

Compliance

M&NP will, at the commencement of employment and at least once annually, formally communicate to M&NP Personnel the principles set forth in this Code of Conduct and the expectation that M&NP Personnel conduct themselves at all times in a manner consistent with those principles. M&NP Personnel may seek advice and assistance in respect of questions of interpretation or application of this Code of Conduct from the Legal Counsel of Maritimes & Northeast Pipeline Management Ltd. Appropriate action will be taken promptly in response to any material breach of this Code of Conduct, including disciplinary action, up to and including termination. Maritimes & Northeast Pipeline Management Ltd. will, on an annual basis in writing, provide M&NP's Tolls and Tariff Working Group with: (i) confirmation of the communication to M&NP Personnel of the principles and conduct expected under this Code of Conduct; and (ii) a summary of any known material breaches of this Code of Conduct and the steps taken by M&NP in response thereto.

Complaint Mechanism

Any complaint respecting the application of this Code of Conduct shall be referred in writing to the Legal Counsel for Maritimes & Northeast Pipeline Management Ltd. The Legal Counsel shall respond to the complainant within 30 working days of its receipt. The response shall include a description of the complaint and M&NP's response to all issues of contention raised within the complaint. A record of all complaints and responses of M&NP shall be maintained for a period of 2 years. If a complaint is not resolved to the satisfaction of the complainant, the complaint may be referred to the NEB.

Periodic Review

This Code of Conduct shall be subject to periodic review by M&NP and its customers. Modifications shall be implemented as warranted.