



Election on disposition of property by a taxpayer to a taxable Canadian corporation

• For use by a taxpayer and a taxable Canadian corporation to jointly elect under subsection 85(1) where the taxpayer has disposed of eligible property within the meaning of subsection 85(1.1) to the corporation and has received as consideration shares of any class in that corporation.

Do not use this area

• Mail this election and related schedules (if any), separately from other tax returns, to the tax centre serving the area where the transferor is located. where two or more co-owners or members of a partnership elect, the elections will be processed in bulk and should be filed at the tax centre of the transferee as follows:

- 1 – One copy by the transferor, or two or more copies if two or more transferors elect regarding the transfer of the same property (co-ownership), or two or more members of the same partnership elect for the transfer of their partnership interests. In these situations, one transferor designated for the purpose should file simultaneously one copy for each transferor, together with a list of all transferors electing. This list should contain the address and Social insurance number or business number of each transferor;
- 2 – On or before the earliest date on which any party to the election has to file an income tax return for the tax year in which the transaction occurred, taking into consideration any election under subsection 99(2) (due date);

Find your tax centre's address by going to www.cra.gc.ca/tso.

• All legislative references on this form are to the Income Tax Act.

Taxpayer's name (transferor)			Social insurance number or Business number
Address			Postal code
Tax year of the taxpayer from	Year Month Day From	Year Month Day to	Tax services office

Name of co-owner(s), if any (if more than one, attach schedule giving similar details)		Social insurance number (SIN)
Address		Postal code Tax services office

Name of corporation (transferee) Enbridge Inc.		Business number 119653384 RC 0001	
Address 200, 425 – 1st Street SW, Calgary, AB		Postal code T2P 3L8	
Tax year of the corporation from	Year Month Day From 2017-01-01	Year Month Day to 2017-12-31	Tax services office Calgary
Name of person to contact for additional information		Area code Telephone number	

Penalty for late-filed and amended elections

An election that is filed after its due date is subject to a late-filing penalty. Form T2057 can be filed within 3 years after its due date if an estimate of the penalty is paid at the time of filing. Form T2057 can also be amended or filed after the 3-year period, but in these situations, a written explanation of the reason the election is amended or late-filed must be attached for consideration by the Minister and an estimate of the applicable penalty must be paid when this election is filed.

Calculation of late-filing penalty:

Fair market value of property transferred. _____

Less: agreed amount. _____

Difference _____ **A**

Amount A _____ × 1/4 × 1% × N* = _____ **B**

\$100 × N* = _____ **C**

Do not use this area

* N represents the sum of each month or each part of a month in the period from the due date to the actual filing date. Amount C cannot exceed \$8,000.

Late-filing penalty is the lesser of B and C above _____ Amount enclosed _____

Make a cheque or money order payable to the Receiver General. **Specify "T2057"** on the remittance and, to ensure proper credit, indicate the name and Social insurance number of the taxpayer, or Business number if a corporation.

Unpaid amounts including late-filing penalties are subject to daily compound interest, at a prescribed rate.

Information required

On the following page, list, describe, and state the fair market value of transferred properties. The description and fair market value of the consideration received has to be shown opposite the related property transferred. Where the transferred property is a partnership interest, attach a schedule of the calculation of the adjusted cost base. If space on the form is insufficient, attach schedules giving similar details. You have to designate the order of disposition of each depreciable property. With this election you do not have to file the following materials: schedules supporting this designation, documentation relating to the responses to the questions below, and a brief summary of the method of evaluating the fair market value of each property transferred. However you have to keep them as the Canada Revenue Agency may ask to see them at a later date.

- 1 – Is there a written agreement relating to this transfer? Yes No
- 2 – Does a price adjustment clause apply to any of the properties? (See the Income Tax Folio S4-F3-C1 for details.) Yes No
- 3 – Do any persons other than the taxpayer own or control directly or indirectly any shares of any class of the transferee? Yes No
- 4 – Does a non-arm's length rollover exist between 2 or more corporations? Yes No
 - a) Have all or substantially all (90% or more) of all the properties of the corporation(s) been transferred to the transferee corporation? N/A Yes No
- 5 – Is the taxpayer a non-resident of Canada? Yes No
- 6 – Are any of the properties transferred capital properties? Yes No

If yes,

 - a) have they been owned continuously since Valuation Day? Yes No
 - b) have they been acquired after Valuation Day in a transaction considered not to be at arm's length? Yes No
 - c) since Valuation Day, has the taxpayer or any person from whom shares were acquired in a non-arm's length transaction received any subsection 83(1) dividends for transferred shares? (If **yes**, provide details of amounts and dates received, and attach a schedule.) Yes No
- 7 – Is the agreed amount of any of the transferred properties based on an estimate of fair market value on Valuation Day? Yes No
 - a) If **yes**, does a formal documented Valuation Day value report exist? N/A Yes No
- 8 – Has an election under subsection 26(7) of the *Income Tax Application Rules* (Form T2076) been filed by or on behalf of the taxpayer? Yes No

Where shares of the capital stock of a private corporation are included in the property disposed of, provide the following:

Name of corporation N/A	Business number N/A	Paid-up capital of shares transferred under the ITA N/A
-----------------------------------	-------------------------------	---

Description of shares received

Number of shares transferor received	Class of shares	Redemption value per share	Paid-up capital under the ITA	Voting or non-voting	Are shares retractable? *
	Common	N/A	per subsection 85(2.1)	Voting	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No

* Retractable means redeemable at the option of the holder.

Informative notes

- The rules for section 85 elections are complex. Essential information is contained in Information Circular, IC76-19 and Interpretation Bulletins, IT-291 and IT-378, and Income tax Folio S4-F3-C1.
- Complete all the information areas and answer all questions. If this form is incomplete, the Canada Revenue Agency may consider the election invalid, and subsequent submissions may be subject to a late-filing penalty.
- If the agreed amount exceeds the adjusted cost base of the property in the election, you must report the difference as a capital gain, as income or a combination of both, whichever applies.

Particulars of eligible property disposed of and consideration received

	Date of sale or transfer of all properties listed below:			Year			Month			Day			Note: For properties sold or transferred on different dates, use separate Form T2057.					
	Property disposed of											Agreed amount (cannot be zero) B	Amount to be reported B – A (if greater than 0, see note 4)	Consideration received				
	Description		Elected amount limits*		Fair market value	A	Non-share Description	Share Number and class	Fair market value of total consideration									
Capital property excluding depreciable property	(Brief legal)				(see note 1)													
	<u>Spectra Energy Corp.</u>																	
	common shares																	
Depreciable property	(Description and prescribed class)				(see note 2)													
Eligible capital property	(Kind)				(see note 3)													
Inventory excluding real property	(Kind)				(cost amount)													
Resource property	(Brief legal)				nil													
					nil													
					nil													
Security or debt obligation property	(Description)				(cost amount)													
Specified Debt Obligation (For financial institutions only)					(cost amount)													
Capital property that is real property owned by a non-resident person	(Description)																	
Agriinvest fund no. 2 (see note 5)					(cost amount)													

Note 1: Adjusted cost base (which is subject to adjustment per section 53).

Note 2: The lesser of undepreciated capital cost of all property of the class and the cost of the property.

Note 3: The lesser of 4/3 x cumulative eligible capital and the cost of the property.

Note 4: This amount is to be reported either as a capital gain or as income, whichever applies. Also, in the case of depreciable property and eligible capital property, a portion of the amount may have to be reported as a capital gain while another portion of the amount may have to be reported as income.

Note 5: Contributions made in a tax year ending after 2007, and amounts earned on those contributions, are only eligible if that property is owned by an individual.

* Refer to current Interpretation Bulletin IT-291 for more information on eligible property and an explanation of the limits.

Election and Certification

Protected B when completed

The taxpayer **and** corporation hereby jointly elect under subsection 85(1) in respect of the property specified, and certify that the information given in this election, and in any documents attached, is to the best of their knowledge, correct and complete.

and

Signature of Transferor, of **Authorized Officer** or Authorized Person*

Signature of **Authorized Officer** of Transferee

Date

* Attach a copy of the authorizing agreement

Privacy Act, Personal Information Bank number CRA PPU 047