

BITSTREAM INC
Form 10-K/A
October 07, 2010
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K/A

(Amendment No. 1)

x Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 2009

COMMISSION FILE NUMBER: 0-21541

BITSTREAM INC.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of

04-2744890
(I.R.S. Employer

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incorporation or organization)

Identification No.)

500 Nickerson Road, Marlborough, MA 01752-4695

(Address of principal executive offices)

Registrant's telephone number, including area code: (617) 497-6222

Securities registered pursuant to Section 12(b) of the Act: Class A Common Stock

Securities registered pursuant to Section 12(g) of the Act: None

Exchange on which Class A Common Stock registered: The NASDAQ Stock Market

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to the filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference into Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES NO

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of voting stock and non-voting stock held by non-affiliates of the Registrant as of June 30, 2009 was approximately \$41 million.

The aggregate market value of voting stock and non-voting stock held by non-affiliates of the Registrant as of March 22, 2010 was approximately \$83 million. On March 22, 2010, there were 9,954,972 shares of Class A Common Stock, par value \$0.01 per share issued and outstanding, and no shares of Class B Common Stock, par value \$0.01 per share, issued or outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

None.

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Explanatory Note

Bitstream Inc. (the Company) is filing this amendment no. 1 (the Amendment) to its Annual Report on Form 10-K for the period ending December 31, 2009 (the Original 10-K) in response to communications received from the staff of the Securities and Exchange Commission (the SEC). The Amendment amends and restates Part III of this Form 10-K, including those portions of Part III that were previously filed as part of the Company's definitive proxy statement on Schedule 14A as filed with the SEC on April 28, 2010 that were incorporated by reference in the Original 10-K. This Amendment includes certifications filed as exhibits hereto pursuant to Item 601(b)(31) and Item 601(b)(32) of Regulation S-K dated as of the date of the filing of this amendment.

Except as described above, this Amendment does not amend any other information set forth in the Original 10-K, and the Company has not updated disclosures included elsewhere in the Original 10-K to reflect any events that occurred subsequent to the period covered by the Original 10-K. Accordingly, this Amendment should be read in conjunction with the Original 10-K and the Company's filings made with the SEC subsequent to the filing of the Original 10-K.

Special Note about Forward-Looking Statements

Certain statements in this report, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives and expected operating results, and the assumptions upon which those statements are based, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended (the Securities Act) and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). These forward-looking statements generally are identified by the words believes, projects, expects, anticipates, estimates, intends, strategy, plan, may, will, will likely result, and similar expressions. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. A detailed discussion of these and other risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements is included in the section of this report entitled Risk Factors. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Table of Contents**PART III****ITEM 10. Directors, Executive Officers and Corporate Governance****DIRECTORS****Biographical Information**

The Company's directors and director nominees and their ages as of April 16, 2010 were as follows:

NAME	AGE	POSITION WITH THE COMPANY
George B. Beitzel(1)(2)(3)	81	Director
Anna M. Chagnon	43	Director, President and Chief Executive Officer
Jonathan H. Kagan(2)	53	Director
Amos Kaminski(1)(2)(3)	80	Director
Melvin L. Keating	63	Nominee
David G. Lubrano(1)(2)(3)	79	Director
Raul K. Martynek	44	Nominee
Charles Ying(1)	63	Director and Chairman of the Board

- (1) Member of the Nominating and Corporate Governance Committee.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation Committee.

George B. Beitzel has been a director of the Company since April 1989. Mr. Beitzel retired in 1987 from International Business Machines Corporation (IBM), where he held numerous positions including serving as a member of the IBM Board of Directors and Corporate Office. Mr. Beitzel currently serves on the Board of Directors of Actuate Corporation. The Nominating and Corporate Governance Committee determined that Mr. Beitzel is qualified to serve as a director of the Company because he possesses particular knowledge and experience, including prior operational and leadership experience in the software industry.

Anna M. Chagnon has been a director of the Company since May 2003. Ms. Chagnon has served as our Chief Executive Officer since October 2003. She has also served as our President since June 2000 and as General Counsel since July 1997. She previously served as Chief Operating Officer from August 1998 to October 2003, and Chief Financial Officer from August 1998 to March 2003. From July 1997 to August 1998, she served in various positions at the Company including Vice President, Finance and Administration, Chief Financial Officer and General Counsel, and Vice President and General Counsel. She holds a Bachelor of Science degree, summa cum laude, from Northeastern University, a Juris Doctor degree from Boalt Hall School of Law of the University of California at Berkeley, and a Master of Business Administration, summa cum laude, from Babson College. The Nominating and Corporate Governance Committee determined that Ms. Chagnon is qualified to serve as a director of the Company because she possesses particular knowledge and experience, including operational and leadership experience, as well as, specific knowledge and experience in the Company's industry and markets of operation.

Jonathan H. Kagan has been a director since his appointment in February 2010. Since January 2006, Mr. Kagan has been a Managing Principal of Corporate Partners LLC and in addition until February 2009, Mr. Kagan was also a Managing Director of Lazard Alternative Investments LLC. Previously, since 1990 and including the period over the last five years, Mr. Kagan was a Managing Director of Corporate Partners I, and of Centre Partners Management LLC, which managed the Centre Capital funds. He began his career in the investment banking division of Lazard in 1980 and became a General Partner in 1987. At Lazard, Mr. Kagan helped head the corporate finance and capital markets areas. He is or has been a member of the board of directors of a number of NYSE- and NASDAQ-listed companies and private companies. Mr. Kagan received an M.A. from Oxford University and an A.B. from Harvard College. The Nominating and Corporate Governance Committee determined that Mr. Kagan is qualified to serve as a director of the Company because he possesses particular knowledge and experience in financial markets and with several industries including the software industry.

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Amos Kaminski has been a director of the Company since 1985 and was Chairman of the Board from 1991 through 1996. Mr. Kaminski founded Interfid Ltd., a venture capital firm, in 1984 and has served as its President and on its Board of Directors since its formation. Mr. Kaminski is also the founder, President and Chairman of the Board of Directors of AFA Asset Services, Inc., a private real estate asset management company, and Chairman of the Board of Directors of Interfid Capital, Inc. The Nominating and Corporate Governance Committee determined that Mr. Kaminski is qualified to serve as a director of the Company because he possesses particular knowledge and experience in financial markets and the software industry, as well as, specific knowledge and experience in the Company's industry and markets of operation.

Melvin L. Keating has served as a consultant to various Private Equity firms since October 2008, and as a Board Director. From October 2005 through October 2008, Mr. Keating was President and CEO of Alliance Semiconductor Corp., in Santa Clara, CA, a worldwide manufacturer and seller of semiconductors (Nasdaq). From April 2004 through September 2005 he was EVP, CFO and Treasurer of Quovadx Inc. in Denver, CO (Nasdaq). He is currently a director of InfoLogix, Hatboro, PA (Nasdaq). Mr. Keating holds both an MS in Accounting and an MBA in Finance from the Wharton School at the University of Pennsylvania. The Nominating and Corporate Governance Committee determined that Mr. Keating is qualified to serve as a director of the Company because he possesses particular knowledge and experience, including prior operational and leadership experience in the software industry.

David G. Lubrano has been a director of the Company since 1987. Mr. Lubrano is the founder and CEO of 21st Century Investors, a venture capital firm. Mr. Lubrano retired in 1985 from Apollo Computer Inc., a corporation engaged in manufacturing workstations, which he co-founded and where he had been Senior Vice President of Finance and Administration, Chief Financial Officer and a director. The Nominating and Corporate Governance Committee determined that Mr. Lubrano is qualified to serve as a director of the Company because he possesses particular knowledge and experience, including prior operational and leadership experience in the software industry, as well as, specific knowledge and experience in the Company's industry and markets of operation.

Raul K. Martynek has served as a director of Broadview Networks Holdings, Inc. (Broadview), a network-based business communications provider, since August 2007 and Smart Telecom, a Dublin, Ireland-based fiber competitive local exchange carrier, or CLEC, since December 2009. From May 2008 to December 2009, he served as a Senior Advisor to Plainfield Asset Management, where he advised on investment opportunities in the telecommunications sector and advised the boards of portfolio companies on strategic and tactical initiatives. Mr. Martynek served as the Chief Restructuring Officer of Smart Telecom from January 2009 to December 2009. He was President and Chief Executive Officer and a director of InfoHighway Communications Inc. (InfoHighway), a CLEC, from November 2003 to July 2007. InfoHighway was acquired by Broadview in May 2007. From March 1998 to November 2003, Mr. Martynek was Chief Operating Officer of Eureka Networks (Eureka), a telecommunications company, which acquired InfoHighway in August 2005. From December 1995 to March 1998, he served as an Executive Vice President of Gillette Global Network, a non-facilities based telecommunications carrier that merged with Eureka in 2000. Mr. Martynek received a B.A. in Political Science from SUNY-Binghamton and a Master in International Finance from Columbia University School of International and Public Affairs. The Nominating and Corporate Governance Committee determined that Mr. Martynek is qualified to serve as a director of the Company because he possesses particular knowledge and experience, including prior operational and leadership experience in the software industry.

Charles Ying has been Chairman of the Board since April 1997. He also served as Chief Executive Officer of the Company from May 1997 through October 2003. From January 1992 to January 1996, Mr. Ying served as Chief Executive Officer of Information International Inc., a corporation engaged in the business of designing, manufacturing and marketing computer-based systems that automate document production and publishing. Mr. Ying holds a B.S. and M.S. in Electrical Engineering from the Massachusetts Institute of Technology. The Nominating and Corporate Governance Committee determined that Mr. Ying is qualified to serve as a director of the Company because he possesses particular knowledge and experience, including prior operational and leadership experience in the software industry, as well as, specific knowledge and experience in the Company's industry and markets of operation.

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Mr. Martynek was recommended for nomination as a director of Bitstream by Raging Capital, Raging Capital Fund (QP), LP, a Delaware limited partnership (Raging QP), Raging Capital Management, LLC, a Delaware limited liability company (Raging Management), and William C. Martin (Mr. Martin) and, together with Raging Capital, Raging QP and Raging Management, the Raging Parties). Mr. Martynek has signed a compensation letter agreement with Raging Management pursuant to which Raging Management paid Mr. Martynek \$10,000 in cash upon Raging Capital's submission to Bitstream of its notice of nomination of the Nominees on February 26, 2010. Pursuant to the compensation letter agreement Mr. Martynek used such compensation to acquire shares of Bitstream stock. If elected or appointed to serve as a director of the Board, Mr. Martynek agreed not to sell, transfer or otherwise dispose of any of those shares within two (2) years of his election or appointment as a director; provided, however, in the event that we enter into a business combination with a third party, Mr. Martynek, may sell, transfer or exchange our shares in accordance with the terms of such business combination.

The Company's By-laws provide that the members of the Board will be elected at the annual meeting of the stockholders, or at a special meeting of the stockholders in lieu thereof, and that all directors shall hold office until the next annual meeting of stockholders, or next special meeting of the stockholders in lieu thereof, or until their successors are chosen and qualified.

Director Compensation

For the year ended December 31, 2009, each director who was not our employee received \$35,000 in cash compensation for service as a director. In addition, our non-employee Chairman of the Board received an additional \$15,000 in cash compensation for his service as Chairman. On August 19, 2009, each non-employee director was also granted a restricted stock award for 5,000 shares of the Company's Class A Common Stock, vesting in one-fifth increments on each of the first, second, third, fourth and fifth anniversaries of the date of the grant. From January 1, 2010 to April 27, 2010, the Board did not make any stock option grants to purchase Class A Common Stock to any Board member and made one restricted stock award of 25,000 shares on February 22, 2010 to Mr. Kagan upon his appointment to the Board. As a non-employee director, Mr. Kagan receives \$35,000 in annual cash compensation in addition to the restricted stock award of 25,000 shares which vests over five years in one-twentieth increments on each quarterly anniversary date from the date of the grant.

The following table provides information on the compensation of our directors for the fiscal year ended December 31, 2009. Ms. Chagnon does not currently receive separate compensation for her services as a director. For her compensation as our Chief Executive Officer, see Ms. Chagnon's compensation set forth in Part III, Item 11. of this Form 10-K/A.

DIRECTOR COMPENSATION TABLE (1)

Name (1)	Fees Earned or Paid in Cash (\$)	Stock Awards (\$) (2)	Option Awards (\$) (2)	All Other Compensation (\$)	Total (\$)
George B. Beitzel	35,000	26,950			61,950
Amos Kaminski	35,000	26,950			61,950
David G. Lubrano	35,000	26,950			61,950
Charles Ying	50,000	26,950			76,950

- (1) Mr. Kagan was appointed to the Board in February 2010 and did not serve or receive any compensation as a Director during the year ended December 31, 2009.
- (2) Compensation amounts for restricted stock awards represent the aggregate grant date fair value computed in accordance with Financial Accounting Standards Board (FASB) Accounting

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Standards Codification (ASC) Topic 718, Share Based Payments for each of the restricted stock awards made during 2009, grant date fair value was calculated using the closing price on the grant date multiplied by the number of shares. These amounts do not represent the actual value that may be realized by the Directors.

(3) No Stock Options or warrants were granted or issued during 2009 to any of the non-employee directors.

EXECUTIVE OFFICERS

Biographical Information

The Company's executive officers and their ages as of March 22, 2010 are as follows:

Name	Age	Position
Anna M. Chagnon	43	President and Chief Executive Officer
John S. Collins	70	Vice President and Chief Technology Officer
James P. Dore	51	Vice President and Chief Financial Officer
Sampo Kaasila	49	Vice President, Research and Development
Costas Kitsos	49	Vice President of Engineering

Anna M. Chagnon has served as Chief Executive Officer of the Company since October 2003. She has also served as President of the Company since June 2000 and as General Counsel since July 1997. She previously served as Chief Operating Officer from August 1998 to October 2003, and Chief Financial Officer from August 1998 to March 2003. From July 1997 to August 1998, she served in various positions at the Company including Vice President, Finance and Administration, Chief Financial Officer and General Counsel, and Vice President and General Counsel. From November of 1996 to July 1997, Ms. Chagnon was Counsel to Progress Software Corporation, a developer and worldwide supplier of solutions to build, deploy and manage applications across Internet, client/server and host/terminal computing environments. From August 1994 to November 1996, she was an attorney for the Boston law firm of Peabody & Arnold LLP where she specialized in corporate, securities, finance and intellectual property law. She holds a Bachelor of Science degree, summa cum laude, from Northeastern University, a Juris Doctor degree from Boalt Hall School of Law of the University of California at Berkeley, and a Master of Business Administration, summa cum laude, from Babson College.

John S. Collins has been Vice President and Chief Technology Officer of the Company since August 1998. From 1988 to August 1998, he served as Vice President of Engineering. Mr. Collins invented or co-invented a number of the products/technologies relating to font imaging technology for which the Company holds patents. He is the principal inventor of the Company's TrueDoc technology. Mr. Collins holds a B.Sc. and a Ph.D. in Electrical Engineering from the University of London.

James P. Dore was named a Vice President and the Company's Chief Financial Officer in March 2003. From June 1999 to March 2003, he served as the Company's Corporate Controller. From January 1997 to June 1999, Mr. Dore served as Corporate Controller at Celerity Solutions Inc. a developer and marketer of supply chain and warehouse management business software. He also served as Celerity's Chief Financial Officer and Treasurer from April 1999 to June 1999. Mr. Dore has over 20 years of service in various senior financial positions, is a C.P.A. and holds a B.S. degree, with distinction, from Clarkson University.

Sampo Kaasila has served as Vice President, Research and Development, of the Company since November 2001. Mr. Kaasila serves as the principal architect of the Company's font technology, and mobile browsing products. From November 1998, when Mr. Kaasila joined Bitstream upon the acquisition of Type Solutions, Inc., to November 2001, he served as Director of Research and Development, Type Solutions. From August 1989 to November 1998, he was a founder and President of Type Solutions, Inc., a leading developer of font technologies including T2K, a font renderer which provides an object oriented design, advanced architecture and algorithms, and a clean API resulting in maximum reliability, performance, and easy integration. From August 1987 to August 1989, Mr. Kaasila worked at Apple Computer Inc. where he was the lead engineer and inventor of the True Type technology now part of every MacIntosh and Windows PC. Mr. Kaasila holds a Masters degree in Electrical Engineering from the Royal Institute of Technology in Stockholm, Sweden where he graduated first in his class in January 1983.

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Costas Kitsos has been Vice President of Engineering at the Company since November 1999. Mr. Kitsos heads engineering for the Company's publishing software products and also serves as the principal architect. From October 1998 to November 1999, he served as Director of Research and Development of the Company. From November 1996 to October 1998, he was a Senior Software Engineer at the Company. Mr. Kitsos is a veteran software developer with over 15 years experience in type and publishing application development. From May 1987 to November 1996, Mr. Kitsos headed IconWorks, which developed award winning type applications and offered consulting services on end user programs and graphical user interfaces. He holds a Masters degree from the University of California, Los Angeles.

CORPORATE GOVERNANCE

Code of Business Conduct and Ethics

We have a code of ethics that applies to our principal executive officer and principal financial officer, or persons performing similar functions. This code of ethics is incorporated in our Code of Business Conduct and Ethics that applies to all of our officers, directors, and employees. A copy of our Code of Business Conduct and Ethics is available on our website at <http://www.bitstream.com>. We intend to satisfy the SEC's disclosure requirements regarding amendments or waivers of the code of business conduct and ethics by posting such information at <http://www.bitstream.com>.

Board of Directors - Board Leadership Structure and Role in Risk Oversight

Structure

Our Board of Directors currently consists of six members and we have two nominees who will bring the total to eight members whose terms come up for reelection annually at our Annual Meeting. The members of the Board serve until their successors have been elected and qualified, or until the earlier of their death, resignation or removal.

Our board of directors is currently comprised of five independent directors and one employee director. The two additional nominees are independent directors. Ms. Chagnon, our employee director, has been a member of the Board of Directors since May 2003 and has served as our president and chief executive officer since October 2003.

We believe that our board leadership structure is optimal for the Company because our Chairman of the Board is, based upon his years of industry experience and his former role as chief executive officer of the Company, uniquely able to provide strategic guidance to and oversight of our president and chief executive officer. As our lead director, Mr. Ying also serves as a liaison between the board of directors and our chief executive officer.

Our board conducts an annual self-evaluation in order to determine whether it and its committees are functioning effectively. As part of this self-evaluation, the board evaluates whether the current leadership structure continues to be optimal for the Company and its stockholders.

Risk Oversight

Our board of directors has oversight of our risk management program working directly with our senior management, who are responsible for our internal risk management. The Audit Committee has oversight responsibility for our risk identification and prioritization process and our Sarbanes-Oxley Act of 2002 compliance program. The Compensation Committee has oversight of risk considerations with respect to our compensation programs, including working directly with senior management to determine whether such programs improperly encourage management to take risks relating to the business and/or whether risks arising from our compensation programs are reasonably likely to have a material adverse effect on the Company. The Company's senior management, subject to board oversight, is responsible for ensuring that our risk management program, comprised of strategic, operational, financial and legal risk identification and prioritization, is reflected in the Company's policies and actions. The Company's senior management, subject to board oversight, is also responsible for day-to-day risk management and implementation of Company policies, with monitoring and testing of Company-wide policies and procedures overseen by our audit committee. Our board of directors believes that this shared oversight is appropriate for the Company.

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Board Committees and Meetings of the Board

The Board has a standing Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. During the year ended December 31, 2009, the Nominating and Corporate Governance Committee met four times, the full Board met ten times, the Compensation Committee met four times, and the Audit Committee met nine times. All incumbent directors attended at least 75% of the aggregate number of the meetings of the Board and each member of the Committees of the Board attended at least 75% of the meetings of the Committees. Each committee's charter is available through the Corporate Governance link on the Company's website at www.bitstream.com, or by sending your request in writing to the Corporate Secretary, Bitstream Inc., 500 Nickerson Road, Marlborough, MA 01752-4695. Each committee conducts an annual assessment to determine whether it has sufficient information, resources and time to fulfill its obligations and whether it is performing its obligations. Under the Board's Corporate Governance Guidelines, each committee may retain experts to assist it in carrying out its responsibilities. The Board of Directors has determined that each of the members of the Audit Committee, Compensation Committee, and the Nominating and Corporate Governance Committee are independent as required by applicable laws and regulations, and the NASDAQ listing standards.

The Board and executive management believe that good corporate governance is important to ensure that we are managed for the long-term benefit of our stockholders. The Board and executive management team have been reviewing and will continue to review our corporate governance policies and practices for compliance with applicable regulations and will continue to compare those policies and practices to those suggested by various authorities in corporate governance and the practices of other public companies.

The Audit Committee reviews our accounting practices, internal accounting controls and financial results and oversees the engagement of our independent registered public accountants. The Audit Committee also oversees management's performance of its duties with respect to maintaining the integrity of our accounting and financial reporting and our systems of internal controls, the performance and qualifications of the independent accountants (including the independent accountant's independence), and our compliance with legal and regulatory requirements. The Audit Committee establishes procedures, as required under applicable law, for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls and the confidential and anonymous submission by employees and others regarding questionable or possibly fraudulent actions or activities. The Board of Directors, based on the recommendation of the Audit Committee, has designated David Lubrano as the audit committee financial expert. During 2009, the members of this committee were David Lubrano, serving as Chairperson, George Beitzel and Amos Kaminski.

The Compensation Committee establishes salaries, incentives and other forms of compensation for our directors, officers and other employees. The Compensation Committee also administers our benefit plans and administers the issuance of stock options and other awards under our Stock Plans to all our employees and directors, including the members of such committee. The committee also reviews, and recommends to the full Board, the compensation and benefits for non-employee Directors. During 2009, the members of this committee were George Beitzel, serving as Chairperson, Amos Kaminski and David Lubrano.

The Nominating and Corporate Governance Committee provides oversight and guidance to the Board of Directors to ensure that the membership, structure, policies, and practices of the Board and its committees facilitate the effective exercise of the Board's role in the governance of the Company. The committee reviews and evaluates the policies and practices with respect to the size, composition, independence and functioning of the Board and its committees and reflects those policies and practices in corporate governance guidelines, and evaluates the qualifications of, and recommends to the full Board, candidates for election as Directors. During 2009, the members of this committee were Amos Kaminski, serving as Chairperson, George Beitzel, David Lubrano and Charles Ying.

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Policy Governing Director Attendance at Annual Meetings of Stockholders

Our policy is that all directors are encouraged to attend annual meetings of stockholders. All of our directors attended the 2009 Annual Meeting of Stockholders.

Shareholder Communications with Directors

A shareholder who wishes to communicate directly with the Board, a committee of the Board or with an individual Director, should send the communication to:

Bitstream Inc.

Attn: Board of Directors [or committee name or Director's name, as appropriate]

500 Nickerson Road

Marlborough, MA 01752-4695

Bitstream will forward all shareholder correspondence concerning the Company to the Board, committee or individual Director, as appropriate. This process has been approved by the current independent Directors of Bitstream.

Nomination of Candidates for Director

When evaluating potential candidates for directors, the Nominating and Corporate Governance Committee (the Nominating Committee) considers individuals recommended by members of the Nominating Committee, other Directors, members of management, and shareholders or self-nominated individuals. The Nominating Committee is advised of all nominations that are submitted to us and determines whether it will further consider the candidates using the criteria described below. The Nominating and Corporate Governance Committee acts pursuant to a written charter, which may be found on our web site at: http://www.bitstream.com/corporate/investor/corp_gov.html

In order to be considered, each proposed candidate must:

Be ethical;

Have proven judgment and competence;

Have professional skills and experience that are complementary to the background and experience represented on the Board and that meet our needs;

Have demonstrated the ability to act independently and be willing to represent the interests of all shareholders and not just those of a particular philosophy or constituency; and

Be willing and able to devote sufficient time to fulfill his/her responsibilities to Bitstream and its shareholders. The Nominating Committee also considers the following factors when evaluating candidates for director:

1)

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How such candidate contributes to the diversity of the board of directors, although Bitstream does not have a formal diversity policy. In considering diversity, Bitstream evaluates differences in viewpoint, professional experience, education, skills and other qualities and attributes.

2) The degree to which such candidate's experience strengthens the board of directors' collective qualifications and skills.

3) The candidate's understanding of and experience in the software and technology industries.

4) The candidate's leadership experience with public companies.

The Committee seeks and receives recommendations on board candidates from third parties, including security holders, and while recommendations from significant security holders might receive greater initial consideration we generally would seek to apply the same criteria that would be applied in evaluating other candidates to these recommended candidates.

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After the Nominating Committee has completed its evaluations, it presents its recommendations to the full Board for its consideration and approval. In presenting its recommendations, the Nominating Committee also reports on other candidates who were considered but not selected.

We will report any material change to this procedure in a quarterly or annual filing with the SEC and any new procedure will be available through the Corporate Governance link on our website at <http://www.bitstream.com>.

Our Bylaws require that a shareholder who wishes to nominate an individual for election as a Director at our Annual Meeting of Shareholders must give us advance written notice no later than 120 days prior to the anniversary date of the Proxy mailing date, or December 29, 2010, in connection with next year's Annual Meeting and provide specified information. Shareholders may request a copy of the Bylaw requirements from the Corporate Secretary, Bitstream Inc., 500 Nickerson Road, Marlborough, MA 01752-4695. Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires directors, executive officers and stockholders who own more than ten percent of the outstanding Class A Common Stock of the Company to file with the SEC and NASDAQ reports of ownership and changes in ownership of voting securities of the Company and to furnish copies of such reports to us.

Based solely on a review of the copies of such forms received by the Company, and on written representations from certain reporting persons, we believe that with respect to the year ended December 31, 2009, our directors, officers and ten-percent stockholders timely filed all such required forms, except for one Form 4 required in connection with five gifts totaling 6,100 shares and one Form 4 for the exercise of options for 1,667 shares.

ITEM 11. Executive Compensation

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Philosophy

Bitstream's executive compensation program is intended to attract and retain highly-qualified senior managers by providing compensation opportunities that reflect our business results and the individual executive's performance. During the year ended December 31, 2009, we used salary, stock options and restricted stock awards, to meet these goals. We believe that these compensation opportunities will motivate management's efforts by ensuring that the rewards received by our executives are consistent with the achievement of our business objectives and with the value added by management to the stockholders' interests. Our compensation program provides for base salaries that reflect such factors as level of responsibility, internal fairness and external competitiveness. We also believe that a substantial portion of each of our executive's compensation should be in the form of an incentive bonus. Receipt of this bonus is contingent upon our achievement of target levels of sales and earnings, strategic acquisitions and other initiatives, introduction of innovative products and services, and the achievement of and progress toward other significant annual financial and operational objectives as determined by the Compensation Committee. In general, the cash compensation of our executive officers approximates the average of compensation paid to executives of appropriate comparable companies who occupy positions of similar responsibilities. Our compensation program also provides long-term incentive opportunities in the form of stock options, restricted stock and other forms of equity compensation that strengthen the mutuality of economic interest between management and our stockholders and encourage management continuity. During the year ended December 31, 2009, we made awards under our 2006 Incentive Compensation Plan to our executive officers. These awards included restricted stock awards that vest over five-year periods and stock options to purchase shares that vest over a four-year period.

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The following is a discussion of each element of our executive compensation program, including a description of the decisions and actions taken by the Compensation Committee with respect to the 2009 compensation for the Chief Executive Officer (the CEO) and all executive officers as a group.

Management Compensation Program

Overview

Compensation of our executive officers in the year ended December 31, 2009 (as reflected in the tables that follow with respect to the Named Executive Officers) consisted of the following elements: base salary, the opportunity for an annual incentive bonus, and stock option grants and restricted stock awards under our 2006 Incentive Compensation Plan. Total annual cash compensation for each executive officer varies each year based on our achievement of our annual objectives and the individual's performance.

Base Salary

With respect to determining the base salary of each of the executive officers, the Compensation Committee takes into consideration a variety of factors, including the executive's level of responsibility and individual performance, the salaries of similar positions in comparable companies and our financial and operational performance in relation to our objectives and our competitive standing. We review the results of various industry salary surveys to ensure our understanding of competitive compensation levels and practices in the marketplace. From time to time, we utilize the services of GK Partners, a recognized, independent external consulting firm to determine marketplace compensation values and practices, and to assess the reasonableness of our overall compensation program. No specific peer group benchmarking activities were performed by the independent consultant during 2009.

Annual Incentive Compensation

Our compensation philosophy includes granting annual cash bonuses reflecting the Company's performance and individual executive performance. We maintain discretion to vary overall cash compensation for a given year by varying the size of the cash bonus based on corporate performance and individual performance. These cash bonuses reflect a material part of the overall compensation, with target payments ranging from 50%-100% of salary, depending upon executive position and overall company performance, and subject to the Compensation Committee's discretion to award bonuses greater or lower than the target if they deem it appropriate. Because we believe that senior executives can have the greatest impact on the Company's overall success, we typically set bonus targets as a higher percentage of base salaries for our most highly paid executives.

Our annual incentive bonus to our executive officers (including the Named Executive Officers) is based on the achievement of objective, financial and operational performance targets and the discretion of the Compensation Committee. These targets may include sales volume, net operating income, accomplishment of certain strategic business initiatives and other performance objectives as may be determined annually. In determining individual incentive bonus awards, the accountability of executive officers and their individual contributions towards the attainment of these objectives are considered. In determining awards for the most recent performance year, we considered new product development, management of corporate expenses, and cash equivalents on hand, as well as earnings level achieved during this challenging economic climate. After considering these factors and others, we determined that no cash bonuses would be awarded. The calculation of our financial and operational performance with respect to the determination of these incentive bonus awards, if any, is made as soon as is practicable after the completion of our fiscal year.

Long-Term Incentive Awards

In addition to cash compensation, the Compensation Committee and the Board believe that providing executive officers with stock ownership opportunities aligns the interests of the executives with other stockholders and encourages the executives' long-term retention. The long-term incentive element of our management compensation program has historically been in the form of stock option grants. The 2006 Incentive Compensation Plan, which was adopted on April 14, 2006 and approved by the stockholders on June 1, 2006, authorizes a committee of two or more directors designated

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by the Board, currently the Compensation Committee, to grant Options, Restricted Stock, Stock granted as a bonus or in lieu of another award, Other Stock-Based Awards, Performance Awards or Annual Incentive Awards for up to 2,000,000 shares of Class A Common Stock. Awards are typically granted annually, although supplemental awards are granted occasionally. All options granted in fiscal 2009 were subject to a four-year vesting provision and all restricted stock awards in fiscal 2009 were subject to a five-year vesting provision. We make awards based upon each executive's relative position, responsibilities and performance over the previous year and the executive officer's anticipated future performance, potential and responsibilities. We also review prior awards to each executive, including the number of shares that continue to be subject to vesting under their respective outstanding awards, in setting the size of awards to be granted to the executive officers. On August 19, 2009, the Board awarded Incentive Stock Options (ISOs) to purchase 30,000 shares of Class A Common Stock to Anna Chagnon and 15,000 shares of Class A Common Stock to each of John Collins, James Dore, Sampo Kaasila, and Costas Kitsos. Such options have an exercise price equal to the fair market value of the Class A Common Stock of the Company on the date of grant as reported on NASDAQ, are exercisable for ten years and vest in one-fourth increments on each of the first, second, third and fourth anniversaries of the date of the grant. In addition, on August 19, 2009, the Board made restricted stock awards of 5,000 shares of Class A Common Stock of the Company to each of John Collins, James Dore, Sampo Kaasila, and Costas Kitsos and 10,000 shares to Anna Chagnon. Such stock awards vest in one-fifth increments on each of the first, second, third, fourth, and fifth anniversaries of the date of the grant.

The Incentive Compensation Plan is intended to create opportunities for executive officers and other key employees of the Company to acquire a proprietary interest in the Company to align their interests with those of the Company's stockholders. In addition, the vesting provisions of such awards (which limit the exercisability of stock options and the receipt of restricted stock for certain periods of time) encourage the continued service and stability of the management team.

Post Employment Benefits

Our executives have severance agreements that provide them with severance payments and benefits in the event we terminate their employment without cause or the executive officer terminates employment for good reason, following a defined Change in Control of the Company. See Potential Payments upon Termination following a Change-in-Control for a discussion of the terms of these agreements, including the definitions of cause and good reason. Severance agreements for our executive officers provide security for executives against sudden or arbitrary termination following a Change in Control and help attract and retain key employees by providing competitive arrangements. The provisions of each severance agreement are determined by the Compensation Committee based on current market trends and practices.

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Individual Performance

Anna M. Chagnon has served as our Chief Executive Officer since October 2003. Effective March 1, 2008, Ms. Chagnon's salary was increased from \$275,000 to \$300,000. For 2009, Ms. Chagnon target bonus was 67% of salary. The Compensation Committee, without Ms. Chagnon's participation, evaluates Ms. Chagnon's performance (and determines her bonus) by reviewing the Company's overall revenue growth and operating profit, the performance of Ms. Chagnon's management team, and the Company's success in achieving the goals contained in the Company's budget for the year. This year, the Compensation Committee determined that based on the Company's performance, no bonuses would be paid to the members of the executive team including Ms. Chagnon, despite her guiding the Company through challenging economic times, managing expenses and our cash position, and helping to consummate several key new business relationships. Ms. Chagnon is eligible to participate in the same executive compensation programs in which our other executive-level employees participate. Her total annual compensation for 2009 (including compensation derived from salary and annual incentive bonus) was determined by the Compensation Committee in consideration of the same performance criteria used to establish pay levels for all other executive-level employees. The Compensation Committee has determined that Ms. Chagnon's salary is at or below the median salary of Chief Executive Officers in a selected group of comparable companies. On August 19, 2009, Ms. Chagnon was granted a stock option under our 2006 Incentive Compensation Plan for 30,000 shares of our common stock at a price per share of \$5.39 and awarded restricted stock of 10,000 shares of our common stock as part of the annual grant process described above. The stock options vest over four years at a rate of 25% on the first, second, third and fourth anniversary of the grant, and the restricted stock vests over five years at a rate of 20% on the first, second, third, fourth, and fifth anniversary of the grant.

Ms. Chagnon manages our named executive officers (NEOs), other than herself. Ms. Chagnon reviews the NEO's performance against operating and strategic goals set for that executive during the previous year; she then further assesses each NEO's individual performance by measuring the NEO's contribution to the Company's consolidated results and the Company's success in achieving the goals contained in the Company's budget for the year. Based on this assessment, Ms. Chagnon then recommends to the Compensation Committee what percentage of the target bonus award available to the NEOs each of the NEOs should receive. The Compensation Committee either accepts Ms. Chagnon's recommended bonus for each NEO, or suggests other factors or outcomes. After these deliberations, the Compensation Committee determines and approves a bonus for each such executive. For 2009, Ms. Chagnon set the target bonus for the other NEOs at approximately 50% of their respective annual salary or \$90,000 to each of John Collins, Sampo Kaasila, and Costas Kitsos and \$92,500 to James Dore. Based upon the Company's financial results during a year with very challenging economic conditions, the Compensation Committee decided not to award and cash bonuses to the NEOs for the 2009 fiscal year.

Table of Contents**Summary Compensation Table**

The following table sets forth certain summary information concerning compensation paid for the year ended December 31, 2009 by the Company to its Chief Executive Officer (the "CEO"), its Principal Financial Officer (the "PFO") and the three most highly compensated executive officers other than the CEO and PFO who were serving as executive officers on December 31, 2009, whose aggregate salary and bonus exceeded \$100,000 for the year ended December 31, 2009, (together, with the CEO and PFO, the "Named Executive Officers" or "NEOs")

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary (\$1)	Bonus (\$)(2)	Stock Awards (\$)(3)	Options/ Warrants (\$)(4)	Non-equity Incentive	All Other	Total (\$)
						Plan Compen- sation (\$)(5)	Compen- sation (\$)(6)	
Anna M. Chagnon President & CEO (Principal Executive Officer)	2009	311,538		53,900	107,576		7,350	480,364
	2008	294,711		61,500	226,070	100,000	6,900	689,181
	2007	265,000		81,200	121,296	200,000	6,750	674,246
James P. Dore Vice President & CFO (Principal Financial Officer)	2009	192,116		26,950	53,788		7,350	280,204
	2008	180,769		30,750	67,821	55,000	6,900	341,240
	2007	158,500		40,600	121,296	100,000	6,750	427,146
Costas Kitsos Vice President of Engineering	2009	186,923		26,950	53,788		7,350	275,011
	2008	176,827		30,750	67,821	50,000	6,900	332,298
	2007	162,750		40,600	121,296	100,000	6,750	431,396
Sampo Kaasila Vice President of Research and Development	2009	186,923		26,950	53,788		7,108	274,769
	2008	176,827		30,750	67,821	50,000	6,900	332,298
	2007	158,500		40,600	121,296	100,000	6,750	427,146
John S. Collins Vice President and Chief Technology Officer	2009	149,539		26,950	53,788		5,986	236,263
	2008	141,462		30,750	67,821	50,000	6,900	296,933
	2007	127,000		40,600	121,296	100,000	6,750	395,646

- (1) Base salaries for 2009 remained unchanged from the levels approved by the Compensation Committee in February 2008. The Compensation Committee did not approve or award any increases in base salary for any of the named executive officers during 2009.
- (2) Payments reported as a cash bonus are disclosed in the Non-Equity Incentive Plan Compensation column and in the Grants of Plan-Based Awards Table below to the extent they do not represent mandatory payments.
- (3)

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Compensation amounts for 2009, 2008 and 2007 for restricted stock awards represent the aggregate grant date fair value computed in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718, Share Based Payments for each of the restricted stock awards made during each year, grant date fair value was calculated using the closing price on the grant date multiplied by the number of shares. These amounts do not represent the actual value that may be realized by the NEOs.

- (4) **You should rely only on the information contained in or incorporated by reference in this prospectus and on the other information included in the registration statement of which this**

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prospectus forms a part. We and the Trust have not authorized anyone to provide you with different or additional information. The Trust is not making an offer of these Trust Notes Series 2017-A in any jurisdiction where the offer is not permitted by law. You should not assume that the information contained in or incorporated by reference in this prospectus is accurate as of any date other than the date on the front of this prospectus.

WHERE TO FIND MORE INFORMATION

We and the Trust have filed with the SEC, under the Securities Act, a registration statement on Form F-10 relating to the securities offered by this prospectus. This prospectus, which constitutes a part of the registration statement, does not contain all of the information contained in the registration statement, certain items of which are contained in the exhibits to the registration statement as permitted by the rules and regulations of the SEC. Statements included or incorporated by reference in this prospectus about the contents of any contract, agreement or other documents referred to are not necessarily complete, and in each instance, you should refer to the exhibits for a complete description of the matter involved. Under the registration statement, the Trust may sell the Trust Notes Series 2017-A described in this prospectus. The Trust Notes Series 2017-A are guaranteed by us on a subordinated basis as described herein and we file annual and quarterly financial information and material change reports, business acquisition reports and other material with the Alberta Securities Commission, the Ontario Securities Commission and with the SEC.

Under the multi-jurisdictional disclosure system adopted by the U.S., documents and other information that we file with the SEC may be prepared in accordance with the disclosure requirements of Canada, which are different from those of the U.S. You may read and download any public document that we have filed with the Alberta Securities Commission or the Ontario Securities Commission on SEDAR at www.sedar.com. You may read and copy any document that we have filed with the SEC at the SEC's public reference room in Washington D.C., and may also obtain copies of those documents from the public reference room of the SEC at 100 F Street, N.E., Washington, D.C. 20549 by paying a fee. Additionally, you may read and download some of the documents that we have filed on EDGAR at www.sec.gov.

PROSPECTUS SUMMARY

The following is a summary of the principal features of the Offering and is qualified in its entirety by and should be read in conjunction with the more detailed information appearing elsewhere in this prospectus. Reference is made to the Glossary section for the meaning of certain defined terms.

THE OFFERING

Issuer: TransCanada Trust, a unit trust (the "Trust") established under the laws of the Province of Ontario pursuant to the Declaration of Trust.

Offering: The unsecured, subordinated Trust Notes Series 2017-A due , 2077 of the Trust (the "Trust Notes Series 2017-A").
The Trust Notes Series 2017-A will be issued under a trust indenture (the "Trust Indenture") dated May 20, 2015 between the Trust and CST Trust Company, as trustee for the holders of the Trust Notes Series 2017-A (the "Indenture Trustee"), as supplemented by a third supplemental indenture (the "Third Supplemental Indenture") between the Trust, TransCanada PipeLines Limited ("TCPL") and the Indenture Trustee.

Principal Amount of Offering: U.S.\$ Trust Notes Series 2017-A.

Price to Public: %.

Issue Date: On or about , 2017.

Maturity Date: , 2077.

Specified Denominations: U.S.\$1,000 and integral multiples thereof.

Use of Proceeds: The gross proceeds to the Trust from the Offering of U.S.\$ in respect of the Trust Notes Series 2017-A will be used to acquire the 2017 TCPL Sub Notes from TCPL. TCPL, in turn, intends to use the proceeds from the issue of the 2017 TCPL Sub Notes for general corporate purposes and to reduce short term indebtedness of TCPL and its affiliates, which short term indebtedness was used to fund TCPL's capital program and for general corporate purposes. TCPL may invest the funds that it does not immediately require in short term marketable debt securities. The Offering will provide TCPL with a cost-effective means of raising capital which qualifies for Basket "C" equity treatment by Moody's and for "Intermediate Equity Credit" by S&P.

Interest: From the Closing Date to , 2027, the Trust will pay interest on the Trust Notes Series 2017-A in equal semi-annual installments on and of each year. Notwithstanding the foregoing, assuming the Trust Notes Series 2017-A are issued on , 2017, the first interest payment on the Trust Notes Series 2017-A on , 2017 will be in the amount of U.S.\$ per U.S.\$1,000 principal amount of Trust Notes Series 2017-A. Starting on , 2027, the Trust will pay interest on the Trust Notes Series 2017-A on every , , and of each

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year during which the Trust Notes Series 2017-A are outstanding thereafter until, , 2077 (each such semi-annual or quarterly date, as applicable, a "Series 2017-A Interest Payment Date").
 From the Closing Date to, but excluding, , 2027, the interest rate on the Trust Notes Series 2017-A will be fixed at % per annum, payable in arrears. Starting on, 2027, and on every , , and of each year during which the Trust Notes Series 2017-A are outstanding thereafter until , 2077 (each such date, a "Series 2017-A Interest Reset Date"), the interest rate on the Trust Notes Series 2017-A will be reset as follows: (i) starting on , 2027, on every Series 2017-A Interest Reset Date, until , 2047, the interest rate on the Trust Notes Series 2017-A will be reset at an interest rate per annum equal to the three month LIBOR plus %, payable in arrears, with the first payment at such rate being on , 2027 and, (ii) starting on , 2047, on every Series 2017-A Interest Reset Date, until , 2077, the interest rate on the Trust Notes Series 2017-A will be reset on each Series 2017-A Interest Reset Date at an interest rate per annum equal to the three month LIBOR plus %, payable in arrears, with the first payment at such rate being on , 2047.
 The Trust Notes Series 2017-A will mature on , 2077. Holders of the Trust Notes Series 2017-A may, in certain circumstances, be required to apply interest payable on the Trust Notes Series 2017-A to acquire TCPL Deferral Preferred Shares. See "Deferral Right" below.

2017 TCPL Sub Notes:

The 2017 TCPL Sub Notes will be dated as of the Closing Date and will mature on , 2077. From the Closing Date to , 2027, TCPL will pay interest on the 2017 TCPL Sub Notes in equal semi-annual installments on and of each year. Notwithstanding the foregoing, assuming the 2017 TCPL Sub Notes are issued on , 2017, the first interest payment on the 2017 TCPL Sub Notes on , 2017 will be in the amount of U.S.\$ per U.S.\$1,000 principal amount of 2017 TCPL Sub Notes. Starting on , 2027, TCPL will pay interest on the 2017 TCPL Sub Notes on every , , and of each year during which the 2017 TCPL Sub Notes are outstanding thereafter until , 2077 (each such semi-annual or quarterly date, as applicable, a "TCPL Sub Note Interest Payment Date").
 From the Closing Date to, but excluding, , 2027, the interest rate on the 2017 TCPL Sub Notes will be fixed at % per annum, payable in arrears. Starting on, 2027, and on every , , and of each year during which the 2017 TCPL Sub Notes are outstanding thereafter until , 2077 (each such date, a "TCPL Sub Notes Interest Reset Date"), the interest rate on the 2017 TCPL Sub Notes will be reset as follows: (i) starting on , 2027, on every TCPL Sub Notes Interest

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Reset Date, until _____, 2047 the interest rate on the 2017 TCPL Sub Notes will be reset at an interest rate per annum equal to the three month LIBOR plus _____%, payable in arrears, with the first payment at such rate being on _____, 2027 and, (ii) starting on _____, 2047, on every TCPL Sub Notes Interest Reset Date, until _____, 2077, the interest rate on the 2017 TCPL Sub Notes will be reset on each TCPL Sub Notes Interest Reset Date at an interest rate per annum equal to the three month LIBOR plus _____%, payable in arrears, with the first payment at such rate being on _____, 2047.

The 2017 TCPL Sub Notes are junior unsecured subordinated obligations of TCPL. The payment of principal and interest on the 2017 TCPL Sub Notes will be subordinated in right of payment to the prior payment in full of all present and future TCPL Senior Indebtedness (as described in "Description of the 2017 TCPL Sub Notes Priority of the 2017 TCPL Sub Notes"), and will be effectively subordinated to all indebtedness and obligations of TCPL's subsidiaries.

In addition to the 2017 TCPL Sub Notes, the Trust may acquire other Trust Assets from time to time.

Deferral Right:

Pursuant to the Assignment and Set-Off Agreement, on each Series 2017-A Interest Payment Date in respect of which a Deferral Event has occurred (each a "Deferral Date") in respect of the Trust Notes Series 2017-A, interest payable on Trust Notes Series 2017-A will be applied on behalf of holders of Trust Notes Series 2017-A to acquire TCPL Deferral Preferred Shares. A new series of TCPL Deferral Preferred Shares will be issued in respect of each Deferral Date. The subscription amount of each TCPL Deferral Preferred Share will be an amount equal to U.S.\$1,000, and the number of TCPL Deferral Preferred Shares subscribed for on each Deferral Date (including fractional shares, if applicable) will be calculated by dividing the amount of the interest payment on the Trust Notes Series 2017-A on the applicable Deferral Date, by U.S.\$1,000. For greater certainty, whether or not a Deferral Event has occurred in respect of a particular Series 2017-A Interest Payment Date will be determined prior to the commencement of the Series 2017-A Interest Period ending on the day immediately preceding such Series 2017-A Interest Payment Date.

A Deferral Event in respect of the Trust Notes Series 2017-A will occur in circumstances where: (i) TCPL has failed to declare cash dividends on all of the outstanding TCPL Preferred Shares, if any, consistent with TCPL's dividend practice in effect from time to time with respect to TCPL Preferred Shares (other than a failure to declare dividends on such shares during a Dividend Restricted Period) in each case in the last 90 days preceding the commencement of the Series 2017-A Interest Period ending on the day preceding the relevant Series 2017-A Interest Payment Date (a "Missed Dividend Deferral Event"); or (ii) TCPL elects, at its sole option, prior to the

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commencement of the Series 2017-A Interest Period ending on the day preceding the relevant Series 2017-A Interest Payment Date, that holders of the Trust Notes Series 2017-A apply interest paid on such Trust Notes Series 2017-A on the relevant Series 2017-A Interest Payment Date to acquire TCPL Deferral Preferred Shares (an "Other Deferral Event"). There is no limit on the number of Deferral Events that may occur.

Upon a Deferral Event, TCPL reserves the right not to issue TCPL Deferral Preferred Shares to an Ineligible Person. In such circumstances, the Indenture Trustee will hold all TCPL Deferral Preferred Shares, which would otherwise be delivered to Ineligible Persons, as agent for Ineligible Persons, and the Indenture Trustee will attempt to sell such TCPL Deferral Preferred Shares (to parties other than TCPL and its affiliates) on behalf of the Ineligible Persons. See "Description of the Trust Securities Trust Notes Series 2017-A Deferral Right".

Dividend Stopper Undertaking:

Pursuant to an Assignment and Set-Off Agreement among the Trust, TCPL, TransCanada Corporation ("TCC") and the Indenture Trustee (the "Assignment and Set-Off Agreement"), TCC and TCPL will covenant for the benefit of holders of the Trust Notes Series 2017-A that, in the event of a Deferral Event, in the period commencing on the relevant Deferral Date to, but excluding, the first day of the applicable Dividend Declaration Resumption Month (as defined herein): (i) neither TCC nor TCPL will declare dividends of any kind on any of the Dividend Restricted Shares, as applicable; and (ii) neither TCC, TCPL nor any subsidiary of TCC or TCPL may redeem any Dividend Restricted Shares (other than TCPL Deferral Preferred Shares) or make any payment to holders of any of the Dividend Restricted Shares in respect of dividends not declared or paid on such Dividend Restricted Shares, and neither TCC nor TCPL nor any subsidiary of TCC or TCPL may purchase any Dividend Restricted Shares. **It is in the interest of TCPL and TCC to ensure, to the extent within their control, that the Trust pays the interest to holders of the Trust Notes Series 2017-A in cash on each Series 2017-A Interest Payment Date so as to avoid triggering the Dividend Stopper Undertaking.** See "Description of the Trust Securities Trust Notes Series 2017-A Dividend Stopper Undertaking" and "Risk Factors".

TCPL Deferral Preferred Shares:

The TCPL Deferral Preferred Shares will carry the right to receive fixed quarterly cumulative preferential cash dividends, if, as and when declared by the Board of Directors, subject to the *Canada Business Corporations Act*, at the Perpetual Preferred Share Rate, subject to any applicable withholding tax. The TCPL Deferral Preferred Shares would rank *pari passu* with other outstanding first preferred shares of TCPL, if any. See "Description of TCPL Exchange Preferred Shares and TCPL Deferral Preferred Shares".

Table of Contents**Automatic Exchange:**

The Trust Notes Series 2017-A, including accrued and unpaid interest thereon, will be exchanged automatically (the "Automatic Exchange"), without the consent of the holder thereof, for the right to be issued newly issued TCPL Exchange Preferred Shares upon the occurrence of: (i) the making by TCC or TCPL 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), (ii) any proceeding instituted by TCC or TCPL seeking to adjudicate it a bankrupt or insolvent or seeking liquidation, winding up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy, insolvency or reorganization, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for TCC or TCPL or any substantial part of its property and assets in circumstances where TCC or TCPL, as applicable, is adjudged a bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over TCC or TCPL or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where TCC or TCPL, as applicable, is adjudged a bankrupt or insolvent; or (iv) any proceeding is instituted against TCC or TCPL seeking to adjudicate it a bankrupt or insolvent or seeking liquidation, winding up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy, insolvency or reorganization, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for TCC or TCPL or any substantial part of its property and assets in circumstances where TCC or TCPL, as applicable, is adjudged a bankrupt or insolvent, 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 TCC or TCPL or the appointment of a receiver, interim receiver, trustee, or other similar official for it or for any substantial part of its property and assets (each, a "Automatic Exchange Event"). The Automatic Exchange shall occur as of 8:00 a.m. (Eastern time) (the "Exchange Time") on the date that an Automatic Exchange Event occurs. Pursuant to a Share Exchange Agreement between the Trust, TCPL and the Exchange Trustee (the "Share Exchange Agreement"), the holders of the Trust Notes Series 2017-A will receive the right to be issued one TCPL Exchange Preferred Share for each U.S.\$1,000 principal amount of Trust Notes Series 2017-A together with the number of TCPL Exchange Preferred Shares (including fractional shares, if applicable) calculated by dividing the amount of accrued and unpaid interest, if any, on the Trust Notes Series 2017-A to, but excluding, the date the Automatic Exchange Event occurs, by U.S.\$1,000, which right will be immediately and automatically exercised. Following the Automatic Exchange, holders of the Trust Notes Series 2017-A immediately prior to the Automatic Exchange will cease to have any

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claim or entitlement to interest or principal against the Trust or any other rights as holders of the Trust Notes Series 2017-A, including under the subordinated guarantee by TCPL. Holders of the Trust Notes Series 2017-A will individually be bound by the Automatic Exchange, acting through the Exchange Trustee, on the basis contemplated by the Share Exchange Agreement.

Upon an Automatic Exchange, TCPL reserves the right not to issue TCPL Exchange Preferred Shares to an Ineligible Person. In such circumstance, the Exchange Trustee will hold all TCPL Exchange Preferred Shares, which would otherwise be delivered to Ineligible Persons, as agent for Ineligible Persons and the Exchange Trustee will attempt to sell such TCPL Exchange Preferred Shares (to parties other than TCPL and its affiliates) on behalf of such Ineligible Persons.

If, following the occurrence of an Automatic Exchange Event, any Trust Notes Series 2017-A remain outstanding and are not owned by TCPL or an affiliate of TCPL, the Trust will redeem each U.S.\$1,000 principal amount of Trust Notes Series 2017-A not so owned for consideration consisting of one TCPL Exchange Preferred Share together with the number of TCPL Exchange Preferred Shares (including fractional shares, if applicable) calculated by dividing the amount of accrued and unpaid interest, if any, on such Trust Notes Series 2017-A to, but excluding, the date the Automatic Exchange Event occurs, by U.S.\$1,000. **It is in the interests of TCPL to ensure that an Automatic Exchange does not occur, although the events that could give rise to an Automatic Exchange, namely the occurrence of an Automatic Exchange Event, may be beyond TCPL's control.**

See "Description of the Trust Securities Trust Notes Series 2017-A Automatic Exchange", "Description of the TCPL Exchange Preferred Shares and TCPL Deferral Preferred Shares" and "Risk Factors".

TCPL Exchange Preferred Shares:

The TCPL Exchange Preferred Shares will carry the right to receive fixed quarterly cumulative preferential cash dividends, if, as and when declared by the Board of Directors, subject to the *Canada Business Corporations Act*, at the Perpetual Preferred Share Rate, subject to any applicable withholding tax. The TCPL Exchange Preferred Shares would rank *pari passu* with other outstanding first preferred shares of TCPL, if any. See "Description of TCPL Exchange Preferred Shares and TCPL Deferral Preferred Shares".

Trust Redemption Right:

On or after _____, 2027, the Trust may, at its option, or at the direction of TCPL, on giving not more than 60 nor less than 30 days' notice to the holders of the Trust Notes Series 2017-A, redeem the Trust Notes Series 2017-A, in whole at any time or in part from time to time on any Series 2017-A Interest Payment Date. The

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redemption price per U.S.\$1,000 principal amount of Trust Notes Series 2017-A redeemed on any Series 2017-A Interest Payment Date will be par, together with accrued and unpaid interest to, but excluding, the date fixed for redemption. The redemption price payable by the Trust will be paid from the redemption proceeds it receives from TCPL upon redemption of 2017 TCPL Sub Notes. Trust Notes Series 2017-A that are redeemed shall be cancelled and shall not be reissued. See "Description of the Trust Securities Trust Notes Series 2017-A Trust Redemption Right".

Redemption on Tax or Rating Event:

Upon the occurrence of, or any time following the occurrence of, a Rating Event or a Tax Event, the Trust may, at its option, redeem all (but not less than all) of the Trust Notes Series 2017-A at a redemption price per U.S.\$1,000 principal amount of the Trust Notes Series 2017-A equal to par (in the case of a Tax Event) and par plus \$20 (in the case of a Rating Event), together with accrued and unpaid interest to but excluding the date fixed for redemption. See "Description of the Trust Securities Trust Notes Series 2017-A Redemption on Rating Event or Tax Event".

Purchase for Cancellation:

The Trust Notes Series 2017-A may be purchased, in whole or in part, by the Trust, at the direction of TCPL, in the open market or by tender or private contract. Trust Notes Series 2017-A purchased by the Trust shall be cancelled and shall not be reissued. The purchase price payable by the Trust will be paid in cash.

Guarantee by TCPL:

TCPL will guarantee, on a subordinated basis, the due and punctual payment of the principal amount of and interest on (including interest on the amount in default) the Trust Notes Series 2017-A and performance by the Trust of all the Trust's obligations to the holders of the Trust Notes Series 2017-A pursuant to the Share Exchange Agreement and the Assignment and Set-Off Agreement. See "Description of the Trust Securities Trust Notes Series 2017-A Guarantee by TCPL".

The payment of principal and interest under TCPL's guarantee of the Trust Notes Series 2017-A will be subordinated in right of payment to the prior payment in full of all present and future Guarantor Senior Indebtedness (as described in "Description of the Trust Securities Trust Notes Series 2017-A Guarantee by TCPL"), and will be effectively subordinated to all indebtedness and obligations of TCPL's subsidiaries.

Additional TCPL Covenants:

In addition to the Dividend Stopper Undertaking, TCPL will covenant for the benefit of the holders of the Trust Notes Series 2017-A, pursuant to the Share Exchange Agreement or the Assignment and Set-Off Agreement, as the case may be, that:
(i) all of the outstanding Voting Trust Units will be held at all times, directly or indirectly, by TCPL;

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- (ii) as long as any Trust Notes Series 2017-A are outstanding and held by any person other than TCPL or an affiliate of TCPL, TCPL will not take any action to cause the termination of the Trust;
- (iii) TCPL will not create or issue any TCPL Preferred Shares which, in the event of insolvency or winding-up of TCPL, would rank in right of payment in priority to the TCPL Exchange Preferred Shares or the TCPL Deferral Preferred Shares;
- (iv) TCPL will not assign or otherwise transfer its obligations under the Share Exchange Agreement or the Assignment and Set-Off Agreement, except in the case of a merger, consolidation, amalgamation or reorganization or a sale of substantially all of the assets of TCPL;
- (v) if the Trust Notes Series 2017-A have not been exchanged for rights to be issued TCPL Exchange Preferred Shares following the Automatic Exchange, TCPL will not, without the approval of the holders of the Trust Notes Series 2017-A, amend, delete or vary any terms attaching to the TCPL Exchange Preferred Shares other than amendments, deletions or variations which do not negatively impact future holders of TCPL Exchange Preferred Shares and amendments that relate to the preferred shares of TCPL as a class; and
- (vi) prior to the issuance of any TCPL Deferral Preferred Shares in respect of a Deferral Event, TCPL will not, without the approval of the holders of the Trust Notes Series 2017-A, amend, delete or vary any terms attaching to the TCPL Deferral Preferred Shares other than amendments, deletions or variations which do not negatively impact future holders of TCPL Deferral Preferred Shares and amendments that relate to the preferred shares of TCPL as a class.

Subordination and Events of Default:

The Trust Notes Series 2017-A will be unsecured obligations of the Trust. The payment of principal and interest on the Trust Notes Series 2017-A will be subordinated in right of payment to the prior payment in full of all present and future Issuer Senior Indebtedness (as described in "Description of the Trust Securities Trust Notes Series 2017-A Subordination"), and will be effectively subordinated to all indebtedness and obligations of any subsidiaries of the Trust. An event of default in respect of the Trust Notes Series 2017-A will occur if the Trust or TCPL becomes insolvent or bankrupt or, subject to certain exceptions, resolves to wind up or liquidate or is ordered wound up or liquidated or is otherwise dissolved by operation of law. See "Description of Trust Securities Trust Notes Series 2017-A Events of Default". The subordination provisions and the event of default provisions of the Trust Notes Series 2017-A as described herein are not likely to be relevant to the holders of the Trust Notes Series 2017-A in

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their capacity as creditors of the Trust since, upon the occurrence of an Automatic Exchange Event, the Automatic Exchange provisions of the Trust Notes Series 2017-A will result in the Trust Notes Series 2017-A being exchanged for the right to be issued TCPL Exchange Preferred Shares effective as of the Exchange Time, which right will be immediately and automatically exercised. See "Description of the Trust Securities Trust Notes Series 2017-A Automatic Exchange" and "Risk Factors".

If an event of default has occurred and is continuing, and the Trust Notes Series 2017-A have not already been automatically exchanged for the right to be issued TCPL Exchange Preferred Shares, the Indenture Trustee may, in its discretion and shall upon the request of holders of not less than one-quarter of the principal amount of Trust Notes Series 2017-A then outstanding under the Trust Indenture, declare the principal of and interest on all outstanding Trust Notes Series 2017-A to be immediately due and payable. There will be no right of acceleration in the case of a default in the performance of any covenant of the Trust or TCPL in the Trust Indenture, although a legal action could be brought to enforce such covenant.

Payment of Additional Amounts

All payments made by or on account of any obligation of the Trust under or with respect to the Trust Notes Series 2017-A, or by or on account of any obligation of TCPL under or with respect to its guarantee of the Trust Notes Series 2017-A, shall be made without withholding or deduction for Canadian Taxes, unless required by law or the interpretation or administration thereof, in which case the Trust or TCPL shall pay such additional amounts as may be necessary so that the net amount received by holders of the Trust Notes Series 2017-A (other than certain excluded holders) shall not be less than the amount such holders would have received if such Canadian Taxes had not been withheld or deducted, subject to certain exceptions. See "Description of the Trust Securities Trust Notes Series 2017-A Payment of Additional Amounts".

Conflicts of Interest

TCPL may have outstanding short term indebtedness owing to certain of the Underwriters and affiliates of such Underwriters, a portion of which TCPL may repay with the net proceeds from the sale of the 2017 TCPL Sub Notes. See "Use of Proceeds". As a result, one or more of such Underwriters or their affiliates may receive more than 5% of the net proceeds from the offering of the Trust Notes Series 2017-A in the form of the repayment of such indebtedness. Accordingly, the offering of the Trust Notes Series 2017-A is being made pursuant to Rule 5121 of the Financial Industry Regulatory Authority, Inc. Pursuant to this rule, the appointment of a qualified independent underwriter is not necessary in connection with this offering, because the conditions of Rule 5121(a)(1)(C) are satisfied.

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Book-Entry Only Form:

The Trust Notes Series 2017-A will be issued under the book-entry only system operated by The Depository Trust Company or its nominees (the "Clearing Agency") and must be purchased or transferred through participants (collectively, "Participants") in the depository service of the Clearing Agency. Participants include securities brokers and dealers, banks and trust companies. Accordingly, physical certificates representing the Trust Notes Series 2017-A will not be available except in the limited circumstances described under "Description of the Trust Securities Trust Notes Series 2017-A Book-Entry Only Form".

Voting Trust Units:

TCPL owns all of the Voting Trust Units. See "Description of the Trust Securities The Voting Trust Units".

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THE TRUST

The Trust is a unit trust established under the laws of Ontario by the Trustee pursuant to the Declaration of Trust on September 16, 2014. The Trust has been formed for the purpose of issuing debt securities, including, the Trust Notes Series 2015-A, the Trust Notes Series 2016-A and the Trust Notes Series 2017-A, and to acquire and hold the Trust Assets that will generate funds for payment of principal, interest, the redemption price and the amount payable on purchase for cancellation, if any, and any other amounts, in respect of its debt securities, including the Trust Notes Series 2017-A. Immediately after the issuance by the Trust of the Trust Notes Series 2017-A pursuant to the Offering and the purchase by the Trust of the 2017 TCPL Sub Notes, the Trust will have approximately U.S.\$ billion in Trust Assets, U.S.\$ of capital attributable to the Trust Notes Series 2017-A, U.S.\$1,200,000,000 of capital attributable to the Trust Notes Series 2016-A, U.S.\$750,000,000 of capital attributable to the Trust Notes Series 2015-A, and U.S.\$5,001,000 of capital attributable to the Voting Trust Units.

RISK FACTORS

The purchase of Trust Notes Series 2017-A is subject to certain risks including the following: (i) an investment in Trust Notes Series 2017-A could be replaced, in certain circumstances without the consent of the holder, by an investment in TCPL Exchange Preferred Shares and holders may in certain circumstances be required to apply interest payable on the Trust Notes Series 2017-A to acquire TCPL Deferral Preferred Shares; (ii) there can be no assurance that an active trading market in the Trust Notes Series 2017-A will develop or be sustained or that the Trust Notes Series 2017-A may be resold at or above the initial public offering price; and (iii) the Trust Indenture does not contain any provision limiting the ability of the Trust to incur indebtedness generally. See "Risk Factors".

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GLOSSARY

In this prospectus, unless the context otherwise requires:

2017 TCPL Sub Notes means the TCPL Sub Notes to be purchased by the Trust with the proceeds of the Offering.

Administration Agreement means the agreement between the Trust and TCPL pursuant to which TCPL, or any successor thereto, serves Administrative Agent to the Trust.

Administrative Agent means TCPL, or any successor thereto, in its capacity as administrative agent to the Trust pursuant to the Administration Agreement.

Annual Information Form means the annual information form of TCPL for the year ended December 31, 2015 dated March 7, 2016.

Assignment and Set-Off Agreement means the agreement to be entered into among the Trust, TCC, TCPL and the Indenture Trustee, as bare trustee and nominee on behalf of the holders of the Trust Notes Series 2017-A, pursuant to which, among other things, the Deferral Event Subscription is granted.

Automatic Exchange means the automatic exchange of the Trust Notes Series 2017-A for the right to be issued newly issued TCPL Exchange Preferred Shares upon the occurrence of an Automatic Exchange Event.

Automatic Exchange Event means an event giving rise to the Automatic Exchange, being the occurrence of any one of the following: (i) the making by TCC or TCPL 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); (ii) any proceeding instituted by TCC or TCPL seeking to adjudicate it a bankrupt or insolvent or seeking liquidation, winding up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy, insolvency or reorganization, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for TCC or TCPL or any substantial part of its property and assets in circumstances where TCC or TCPL, as applicable, is adjudged a bankrupt or insolvent; (iii) a receiver, interim receiver, trustee or other similar official is appointed over TCC or TCPL or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where TCC or TCPL, as applicable, is adjudged a bankrupt or insolvent; or (iv) any proceeding is instituted against TCC or TCPL seeking to adjudicate it a bankrupt or insolvent or seeking liquidation, winding up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy, insolvency or reorganization, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for TCC or TCPL or any substantial part of its property and assets in circumstances where TCC or TCPL, as applicable, is adjudged a bankrupt or insolvent, 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 TCC or TCPL or the appointment of a receiver, interim receiver, trustee, or other similar official for it or for any substantial part of its property and assets).

Board of Directors means the board of directors of TCPL.

Business Day means a day on which TCPL, the Trustee and the Indenture Trustee are open for business in the City of Calgary, Alberta, other than a Saturday, Sunday or any statutory or civic holiday in the City of Toronto, Ontario, the City of Calgary, Alberta and the City of New York, New York.

Clearing Agency means the Depository Trust Company.

Clearing Agency Procedures mean the customary practices and procedures of the Clearing Agency.

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Closing Date means the date of closing of the Offering which date is expected to be on or about, 2017, or such other date not later than, 2017 as the Trust, TCPL and the Underwriters may agree.

Code means the Internal Revenue Code of 1986, as amended.

CRA means Canada Revenue Agency.

Credit Facility means the U.S.\$50,000,000 unsecured credit facility, dated May 19, 2015, between TCPL and the Trust.

Declaration of Trust means the declaration of trust made by the Trustee dated September 16, 2014 to establish the Trust, as amended and restated from time to time.

Deferral Date means a Series 2017-A Interest Payment Date in respect of which a Deferral Event has occurred and is continuing.

Deferral Event in respect of the Series 2017-A Interest Payment Date means either a Missed Dividend Deferral Event or an Other Deferral Event.

Deferral Event Subscription means the right and obligation of TCPL to issue TCPL Deferral Preferred Shares, and the corresponding right and obligation of holders of the Trust Notes Series 2017-A, pursuant to the Assignment and Set-Off Agreement, to subscribe for TCPL Deferral Preferred Shares, in each case, using interest paid on the Trust Notes Series 2017-A or the right to receive a payment of interest on the Trust Notes Series 2017-A upon the occurrence of a Deferral Event.

Deferral Event Subscription Proceeds means the subscription proceeds payable by a holder of the Trust Notes Series 2017-A to TCPL in connection with a Deferral Event Subscription.

Deferral Event Subscription Proceeds Assignment means the assignment of all right, title and interest to the Deferral Event Subscription Proceeds as described in "Description of the Trust Securities Trust Notes Series 2017-A Deferral Right".

Dividend Declaration Resumption Month means the month following the first day on which, after TCPL Deferral Preferred Shares have been issued, no TCPL Deferral Preferred Shares are outstanding, being the month in which TCPL and TCC may resume declaring dividends on the TCPL Dividend Restricted Shares and TCC Dividend Restricted Shares, respectively.

Dividend Restricted Period means the period from and including a Deferral Date to, but excluding, the first day of the applicable Dividend Declaration Resumption Month.

Dividend Restricted Shares means, collectively, any TCC Preferred Shares or, if no TCC Preferred Shares are then outstanding, the Common Shares of TCC and any TCPL Preferred Shares or, if no TCPL Preferred Shares are then outstanding, the Common Shares of TCPL, being the shares that are subject to the Dividend Stopper Undertaking.

Dividend Stopper Undertaking means the covenant of TCC and TCPL set out in the Assignment and Set-Off Agreement, for the benefit of the holders of the Trust Notes Series 2017-A, to refrain from declaring dividends of any kind on the Dividend Restricted Shares during the Dividend Restricted Period.

Exchange Time means the time at which the Automatic Exchange will be effective, being 8:00 a.m. (Eastern time) on the date that an Automatic Exchange Event occurs.

Exchange Trustee means CST Trust Company which acts as trustee for the holders of the Trust Notes Series 2017-A, pursuant to the Share Exchange Agreement or such other successor trustee as may be appointed from time to time pursuant to the Share Exchange Agreement.

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Extraordinary Resolution means (i) the written consent of holders of not less than a majority of the aggregate principal amount of the Trust Notes Series 2017-A; or (ii) an extraordinary resolution proposed at a meeting of holders of the Trust Notes Series 2017-A where holders of not less than a majority of the aggregate principal amount of the Trust Notes Series 2017-A are represented in person or by proxy (or a lesser amount of holders if such meeting has been dissolved and reconvened due to failure to achieve quorum in the manner specified in the Trust Indenture) and passed by the favourable votes of holders of the Trust Notes Series 2017-A representing not less than 66²/₃% of the aggregate principal amount of the Trust Notes Series 2017-A represented at the meeting.

Guarantor Senior Indebtedness means obligations (other than non-recourse obligations, the obligations under the guarantee of the Trust Notes Series 2017-A or any other obligations specifically designated as being subordinate in right of payment to Guarantor Senior Indebtedness) of, or guaranteed or assumed by, TCPL for borrowed money or evidenced by bonds, debentures or notes or obligations of TCPL for or in respect of bankers' acceptances (including the face amount thereof), letters of credit and letters of guarantee (including all reimbursement obligations in respect of each of the forgoing) or other similar instruments, and amendments, renewals, extensions, modifications and refundings of any such indebtedness or obligation.

Indenture Trustee means CST Trust Company, acting as trustee for the holders of the Trust Notes Series 2017-A pursuant to the Trust Indenture or such other successor trustee as may be appointed from time to time pursuant to the Trust Indenture.

Ineligible Person means any person whose address is in, or whom the Trust or TCPL or its transfer agent has reason to believe is a resident of, any jurisdiction outside of Canada and the U.S. to the extent that: (i) the issuance or delivery by TCPL or the Trust to such person, upon an Automatic Exchange or Deferral Event, of TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares, as applicable, would require TCPL or the Trust to take any action to comply with securities or analogous laws of such jurisdiction; or (ii) withholding tax would be applicable in connection with the delivery to such person of TCPL Exchange Preferred Shares upon an Automatic Exchange.

Issuer Senior Indebtedness means obligations (other than non-recourse obligations, trust notes issued under the Trust Indenture or any other obligations specifically designated as being subordinate in right of payment to Issuer Senior Indebtedness) of, or guaranteed or assumed by, the Trust for borrowed money or evidenced by bonds, debentures or notes or obligations of the Trust for or in respect of bankers' acceptances (including the face amount thereof), letters of credit and letters of guarantee (including all reimbursement obligations in respect of each of the forgoing) or other similar instruments, and amendments, renewals, extensions, modifications and refundings of any such indebtedness or obligation.

LIBOR means, for any Series 2017-A Interest Period, the rate for U.S. dollar borrowings appearing on page LIBOR01 of the Reuters Service (or on any successor or substitute page of such Service, or any successor to or substitute for such Service providing rate quotations comparable to those currently provided on such page of such Service, as determined by the Trust from time to time for purposes of providing quotations of interest rates applicable to U.S. dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Series 2017-A Interest Period, as the rate for U.S. Dollar deposits with a maturity comparable to such Series 2017-A Interest Period. In the event that such rate is not available at such time for any reason, then "LIBOR" for such Series 2017-A Interest Period shall be the rate at which U.S. dollar deposits of U.S.\$5,000,000 and for a maturity comparable to such Series 2017-A Interest Period are offered by the principal London office of an agent selected by the Trust in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Series 2017-A Interest Period.

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MD&A means TCPL's management's discussion and analysis of financial condition and results of operations as at and for the year ended December 31, 2016.

Missed Dividend Deferral Event means the failure of TCPL, other than during a Dividend Restricted Period, to declare cash dividends on TCPL Preferred Shares, if any, consistent with TCPL's dividend practice in effect from time to time with respect to TCPL Preferred Shares, in each case in the last 90 days preceding the commencement of the Series 2017-A Interest Period ending on the day preceding the relevant Series 2017-A Interest Payment Date.

Moody's means Moody's Investors Service, Inc.

Non-Resident Holder has the meaning given to such term under the heading "Certain Canadian Federal Income Tax Considerations".

Offering means the offering of Trust Notes Series 2017-A by the Trust pursuant to this prospectus and the U.S. registration statement on Form F-10 filed with the SEC of which this prospectus forms a part.

OID means original issue discount.

Other Deferral Event means the election by TCPL, at its sole option, prior to the commencement of the Series 2017-A Interest Period ending on the day preceding the relevant Series 2017-A Interest Payment Date, that the holders of the Trust Notes Series 2017-A apply interest paid on the Trust Notes Series 2017-A on the relevant Series 2017-A Interest Payment Date to acquire TCPL Deferral Preferred Shares.

Participants means the participants in the depository service of the Clearing Agency.

Perpetual Preferred Share Rate means the interest rate per annum applicable to the Trust Notes Series 2017-A, from time to time: (i) in the case of TCPL Exchange Preferred Shares, at the Exchange Time; or (ii) in the case of TCPL Deferral Preferred Shares, on the date of issuance of each series of TCPL Deferral Preferred Shares.

Rating Event means that the Trust or TCPL has received confirmation from S&P or Moody's that due to (i) any amendment to, clarification of, or change in hybrid capital methodology or a change in the interpretation thereof, in each case occurring or becoming effective after the date of issue of the Trust Notes Series 2017-A; or (ii) the application of a different hybrid capital methodology or set of criteria by S&P or Moody's after the date of issue of the Trust Notes Series 2017-A (due to any reason other than solely as a result of a decrease in the credit rating previously assigned to the Trust Notes, it being understood that for this purpose a "decrease in the credit rating previously assigned to the Trust Notes" means: (A) in the case of S&P, a rating below BBB; (B) in the case of Moody's, a rating below Baa2; and (C) in the case of a designation by another rating agency, below an equivalent rating), the Trust Notes Series 2017-A will no longer be eligible for the same or a higher amount of "equity credit" (or such other nomenclature that S&P or Moody's may then use to describe "equity credit") attributed to the Trust Notes Series 2017-A on the date of issue of the Trust Notes Series 2017-A.

S&P means S&P Global Ratings, acting through Standard & Poor's Ratings Services (Canada), a business unit of S&P Global Canada Corp.

SEC means the United States Securities and Exchange Commission.

Securities Act means the United States Securities Act of 1933, as amended.

Series 2017-A Interest Payment Date means, prior to and including _____, 2027, _____ and _____, and after _____, 2027, _____, _____ and _____, of each such year during which any Trust Notes Series 2017-A are outstanding.

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Series 2017-A Interest Period means, initially, the period from and including the Closing Date to, but excluding,, 2017 and thereafter from and including each Series 2017-A Interest Payment Date to, but excluding, the next following Series 2017-A Interest Payment Date.

Series 2017-A Interest Reset Date means , 2027 and every , , and thereafter until , 2077 on which dates the interest rate on the Trust Notes Series 2017-A will be reset.

Share Exchange Agreement means the share exchange agreement to be entered into on the Closing Date among the Trust, TCPL and the Exchange Trustee providing for, among other things, the respective rights and obligations of the Trust, TCPL and the holders of the Trust Notes Series 2017-A with respect to the automatic exchange of Trust Notes Series 2017-A for rights to be issued TCPL Exchange Preferred Shares upon an Automatic Exchange.

Subscription Agreements means the agreements entered into on December 15, 2014 and May 19, 2015 between TCPL and the Trust pursuant to which TCPL directly or indirectly subscribed for Voting Trust Units.

Subscription Right means the right granted by TCPL to the Trust pursuant to the Share Exchange Agreement to subscribe for TCPL Exchange Preferred Shares for the sole benefit of the holders of the Trust Notes Series 2017-A so as to enable the Trust to redeem the Trust Notes Series 2017-A, if any, remaining outstanding and that are not owned by TCPL or an affiliate of TCPL following an Automatic Exchange Event for TCPL Exchange Preferred Shares.

Tax Act means the *Income Tax Act* (Canada).

Tax Event means the Trust, TCC or TCPL has received an opinion of independent counsel of a nationally recognized law firm in Canada or the U.S. experienced in such matters (who may be counsel to the Trust, TCC or TCPL) to the effect that, as a result of, (i) 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 U.S. or any political subdivision or taxing authority thereof or therein, affecting taxation; (ii) 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) (collectively, an "administrative action"); or (iii) any amendment to, clarification of, or 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 of case (i), (ii) or (iii), other than an amendment, clarification, change, administrative action, interpretation or pronouncement that would deny or limit the deductibility of interest for U.S. tax purposes, and in each of case (i), (ii) or (iii), 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 issue of the Trust Notes Series 2017-A, 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 Trust, TCC or TCPL is, or may be, subject to more than a *de minimus* 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, taxable capital or taxable paid-up capital with respect to the Trust Notes Series 2017-A (including the treatment by the Trust, TCC or TCPL of interest on the 2017 TCPL Sub Notes or the Trust Notes Series 2017-A) or the treatment of the 2017 TCPL Sub Notes or other property of the Trust, as or as would be reflected in any tax return or form filed, to be filed, or

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otherwise could have been filed, will not be respected by a taxing authority, (B) the Trust is, or will be, subject to more than a *de minimus* amount of taxes, duties or other governmental charges or civil liabilities, or (C) any payment of interest, consideration or otherwise in respect of the 2017 TCPL Sub Notes or Trust Notes Series 2017-A gives rise to more than *de minimus* amount of withholding tax for the Trust, TCC or TCPL and/ or that results in the requirement to pay more than a *de minimus* amount of Additional Amounts (as defined herein).

Tax Proposals means all specific proposals to amend the Tax Act and the regulations thereunder publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this prospectus.

TCC means TransCanada Corporation, a corporation existing under the *Canada Business Corporations Act*.

TCC Common Shares means the common shares of TCC.

TCC Preferred Shares means any preferred shares of TCC.

TCPL, we, us, our or the **Corporation** means TransCanada PipeLines Limited, a corporation existing under the *Canada Business Corporations Act*.

TCPL Common Shares means the common shares of TCPL.

TCPL Deferral Preferred Shares means each series of first preferred shares of TCPL, as authorized by the Board of Directors, to be issued to holders of the Trust Notes Series 2017-A in respect of each Deferral Event.

TCPL Exchange and Deferral Preferred Shares means, collectively, the TCPL Exchange Preferred Shares and TCPL Deferral Preferred Shares.

TCPL Exchange Preferred Shares means the applicable series of first preferred shares of TCPL, as authorized by the Board of Directors, to be issued by TCPL following an Automatic Exchange under the Share Exchange Agreement.

TCPL Preferred Shares means the preferred shares of TCPL (including the TCPL Exchange Preferred Shares and TCPL Deferral Preferred Shares).

TCPL Senior Indebtedness means obligations (other than non-recourse obligations, the TCPL Sub Notes or any other obligations specifically designated as being subordinate in right of payment to TCPL Senior Indebtedness) of, or guaranteed or assumed by, TCPL for borrowed money or evidenced by bonds, debentures or notes or obligations of TCPL for or in respect of bankers' acceptances (including the face amount thereof), letters of credit and letters of guarantee (including all reimbursement obligations in respect of each of the forgoing) or other similar instruments, and amendments, renewals, extensions, modifications and refundings of any such indebtedness or obligation.

TCPL Sub Note Interest Payment Date means, prior to and including _____, 2027, _____ and _____, and, after _____, 2027, _____, _____ and _____, of each such year during which any 2017 TCPL Sub Notes are outstanding.

TCPL Sub Note Interest Period means, initially, the period from and including the Closing Date to but excluding, 2017 and thereafter from and including each TCPL Sub Note Interest Payment Date to, but excluding, the next following TCPL Sub Notes Interest Payment Date.

TCPL Sub Note Interest Reset Date means _____, 2027 and every _____, _____, _____ and _____ thereafter until _____, 2027 on which dates the interest rate on the 2017 TCPL Sub Notes will be reset.

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TCPL Sub Note Purchase Agreement means the purchase agreement to be entered into between TCPL and the Trust on or about the Closing Date providing for the purchase by the Trust of the 2017 TCPL Sub Notes.

TCPL Sub Note Trust Indenture means the trust indenture entered into between TCPL and Computershare Trust Company of Canada on May 20, 2015 providing for the issuance of the TCPL Sub Notes, as supplemented by a third supplemental sub note indenture (the "Third Supplemental Sub Note Indenture") to be entered into on the Closing Date among TCPL and Computershare Trust Company of Canada, as amended, restated or supplemented from time to time.

TCPL Sub Notes means the junior subordinated unsecured notes issued by TCPL from time to time to the Trust pursuant to the TCPL Sub Note Trust Indenture in order to generate funds for payment of the principal, interest, the redemption price and the amount payable on purchase for cancellation, if any, and any other amounts, in respect of the Trust's debt securities, including the Trust Notes Series 2017-A.

Trust means TransCanada Trust, the issuer of the Trust Securities.

Trust Assets means the TCPL Sub Notes and any other cash, securities and other property held by the Trustee on behalf of the Trust from time to time.

Trust Indenture means the trust indenture entered into on May 20, 2015 between the Trust and the Indenture Trustee, providing for the issuance of debt securities by the Trust, as supplemented by a third supplemental indenture (the "Third Supplemental Indenture") to be entered into on the Closing Date among the Trust, TCPL, and the Indenture Trustee, and as amended, restated or supplemented from time to time.

Trust Notes Series 2017-A means the Trust Notes Series 2017-A of the Trust, representing subordinated unsecured debt obligations, due , 2077 to be issued by the Trust to investors pursuant to the Offering.

Trust Securities means, collectively, the Trust Notes Series 2017-A, the Trust Notes Series 2016-A, the Trust Notes Series 2015-A and the Voting Trust Units.

Trustee means Valiant Trust Company as trustee of the Trust or such other successor trustee as may be appointed from time to time pursuant to the Declaration of Trust.

Underwriters means Deutsche Bank Securities Inc., J.P. Morgan Securities LLC, , and.

Underwriting Agreement means the agreement dated , 2017 between the Trust, TCPL and the Underwriters.

U.S. Person has the meaning set out under the Securities Act.

Voting Trust Units mean the voting trust units issued by the Trust to TCPL or affiliates of TCPL.

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RISK FACTORS

Investment in the Trust Notes Series 2017-A is subject to various risks including those risks affecting TCPL inherent in the pipeline, energy and natural gas storage industries. You should consider carefully the risk factors contained in and incorporated by reference in this prospectus.

Discussions of certain risk factors affecting TCPL in connection with its business are provided in the annual and interim and other disclosure documents filed with the various securities regulatory authorities, which are incorporated by reference in this prospectus.

Risks Related to the Trust Notes Series 2017-A

Dependence on Performance of TCPL and TCC

The purchase of Trust Notes Series 2017-A involves risk with respect to the performance of TCPL and TCC. An investment in Trust Notes Series 2017-A could be replaced in certain circumstances without the consent of the holder, by an investment in TCPL Exchange Preferred Shares and holders may in certain circumstances, including at the option of TCPL, be required to apply interest payable on the Trust Notes Series 2017-A to acquire TCPL Deferral Preferred Shares. An investment in TCPL equity capital is subject to certain risks that are distinct from the risks associated with an investment in the Trust.

In the event of decline in the performance of TCPL or TCC or TCPL or TCC becoming insolvent or bankrupt or resolving to wind-up or liquidate or being ordered wound-up or liquidated or the occurrence of any other event constituting an Automatic Exchange Event, the Trust Notes Series 2017-A will be automatically exchanged for rights to be issued TCPL Exchange Preferred Shares, which will be immediately and automatically exercised, without the consent of the holders thereof, which shares would be an investment in TCPL and not in the Trust. As a result, holders of the Trust Notes Series 2017-A could become shareholders of TCPL at a time when TCPL's and/or TCC's financial condition is deteriorating or when TCPL and/or TCC has become insolvent or bankrupt or resolved to wind-up or has been ordered wound-up or liquidated or upon the occurrence of any other event constituting an Automatic Exchange Event. In addition, if there is a Deferral Event, holders of the Trust Notes Series 2017-A will be paid interest on the applicable Deferral Date but will not receive cash as interest payable on Trust Notes Series 2017-A will be applied on behalf of holders of Trust Notes Series 2017-A to acquire TCPL Deferral Preferred Shares. In the event of a liquidation of TCPL, the claims of creditors of TCPL would be entitled to a priority of payment over the claims of holders of equity interests such as the TCPL Exchange Preferred Shares and TCPL Deferral Preferred Shares. See "Risks Related in an Investment in TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares Insolvency or Winding Up".

Rights only as an Equity Holder in the Event of Insolvency

If TCPL were to become insolvent or bankrupt or resolved to wind-up or was ordered wound-up or liquidated after the Automatic Exchange or if the Automatic Exchange were to occur after the insolvency of TCPL, the holders of the TCPL Exchange Preferred Shares may receive, if anything, substantially less than the holders of the Trust Notes Series 2017-A would have received had the Trust Notes Series 2017-A not been so exchanged. In the event of the occurrence of the Automatic Exchange, with the result that the holder of a Trust Note Series 2017-A receives a right to receive TCPL Exchange Preferred Shares in exchange for such Trust Note Series 2017-A and ultimately TCPL Exchange Preferred Shares, such holder shall thereupon cease to have any direct claim or entitlement with respect to the assets of the Trust or under the guarantee by TCPL and the only claim or entitlement of such holder will be in its capacity as a shareholder of TCPL. Holders of the Trust Notes Series 2017-A will individually be bound by the Automatic Exchange, acting through the Exchange Trustee, on the basis contemplated by the Share Exchange Agreement. In addition, holders

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of TCPL Deferral Preferred Shares, if any, would also be subject to these risks in respect of their TCPL Deferral Preferred Shares. Potential investors in the Trust Notes Series 2017-A should carefully consider the description of TCPL set forth under "TCPL". See also "Description of the Trust Securities Trust Notes Series 2017-A Automatic Exchange" and "Risks Related in an Investment in TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares Insolvency or Winding Up".

Dependence on Payments on the TCPL Sub Notes

Although the obligations of the Trust are guaranteed on an unsecured subordinated basis by TCPL, the ability of the Trust to make timely payments on the Trust Notes Series 2017-A is dependent on TCPL making the corresponding payments on the TCPL Sub Notes. Other than the TCPL Sub Notes, the Trust is not expected to have other significant assets available to satisfy its obligations on the Trust Notes Series 2017-A.

Liquidity of and Dealings in Trust Notes Series 2017-A

It is not expected that Trust Notes Series 2017-A will be listed on any stock exchange. This may affect the pricing of the Trust Notes Series 2017-A in the secondary market, the transparency and availability of trading prices, and the liquidity of the Trust Notes Series 2017-A. There can be no assurance that an active trading market will develop or be sustained or that the Trust Notes Series 2017-A may be resold at or above the initial public offering price. The ability of a holder to pledge Trust Notes Series 2017-A or otherwise take action with respect to such holder's interest in Trust Notes Series 2017-A (other than through a Participant) may be limited due to the lack of a physical certificate.

Dependence Upon TCPL and its Affiliates and Potential Conflicts of Interest

The Trust will be dependent on the diligence and skill of the employees of TCPL, as Administrative Agent. In addition, potential conflicts of interest may arise between the Trust and TCPL and its affiliates. See "The Trust Activities of the Trust" and "Interests of TCPL and its Affiliates in Material Transactions". The Administrative Agent may also delegate or subcontract all or a portion of its obligations under the Administration Agreement to one or more affiliates, and under certain conditions to non-affiliates, involved in the business of managing assets such as the Trust Assets. In the event that the Administrative Agent delegates or subcontracts its obligations in such a manner, the Trust will be dependent upon the subcontractor to provide services. See "The Trust The Administrative Agent".

Subordination

The Trust's obligations under the Trust Notes Series 2017-A (and TCPL's obligations under its guarantee of the Trust Notes Series 2017-A and TCPL's obligations under the TCPL Sub Notes) are subordinated in right of payment to all of the Trust's (TCPL's) current and future senior indebtedness (including TCPL's outstanding senior notes and other senior indebtedness), other than non-recourse obligations or any other obligations specifically designated as being subordinate in right of payment to such senior indebtedness. This means that the Trust (and TCPL) will not be permitted to make any payments on the Trust Notes Series 2017-A (or under TCPL's guarantee of the Trust Notes Series 2017-A or on the TCPL Sub Notes) if the Trust (TCPL) defaults on a payment of principal or interest on any such senior indebtedness or there shall occur an event of default under such senior indebtedness and the Trust (TCPL) 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 indebtedness or if the terms of such senior indebtedness otherwise restrict the Trust (TCPL) from making payments to junior creditors. See "Description of the Trust Securities Trust Notes Series 2017-A

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Subordination", "Description of the Trust Securities Trust Notes Series 2017-A Guarantee by TCPL" and "Description of the 2017 TCPL Sub Notes Priority of the 2017 TCPL Sub Notes".

Due to these subordination provisions, in the event of the Trust's (or TCPL's) insolvency, funds that the Trust (or TCPL) would otherwise use to make payments under the Trust Notes Series 2017-A (or under TCPL's guarantee thereof) will be used to pay the holders of the indebtedness ranking senior in right of payment to the Trust Notes Series 2017-A (or under TCPL's guarantee thereof) to the extent necessary to pay such senior indebtedness in full. As a result of those payments, the holders of such senior indebtedness may recover more, ratably, than holders of the Trust Notes Series 2017-A. In addition, the holders of such senior indebtedness may under certain circumstances restrict or prohibit the Trust (or TCPL) from making payments on the Trust Notes Series 2017-A (or under TCPL's guarantee thereof).

In addition to the contractual subordination described above, the payment of principal and interest on the Trust Notes Series 2017-A will be structurally subordinated to all indebtedness and other obligations of any subsidiaries of the Trust, and the payment of principal and interest under TCPL's guarantee of the Trust Notes Series 2017-A will be structurally subordinated to all indebtedness and other obligations of TCPL's subsidiaries.

TCPL's indebtedness as of December 31, 2016 was approximately \$33.6 billion, all of which would be senior in right of payment to TCPL's guarantee of the Trust Notes Series 2017-A and to the TCPL Sub Notes. As of December 31, 2016, TCPL's subsidiaries had approximately \$7.5 billion of outstanding indebtedness that effectively ranks senior to TCPL's guarantee of the Trust Notes Series 2017-A and to the TCPL Sub Notes.

Furthermore, in the event of an insolvency or liquidation of TCPL, the claims of creditors of TCPL would be entitled to a priority payment over the claims of holders of equity interests of TCPL, such as the TCPL Exchange Preferred Shares and TCPL Deferred Shares. See "Risks Related to the Trust Notes Series 2017-A Rights only as an Equity Holder in Event of Insolvency" and "Risks Related to an Investment in TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares Insolvency or Winding-up".

No Limit on Debt

Although the Trust does not intend to issue any additional securities other than Voting Trust Units, additional Trust Notes or other subordinated debt securities, the Trust Indenture does not contain any provision limiting the Trust's ability to incur indebtedness generally. Any such indebtedness could rank in priority to the Trust Notes Series 2017-A. In addition, the Trust Indenture does not limit the incurrence of indebtedness by TCPL, and TCPL's current indebtedness and any future indebtedness of TCPL rank in priority to TCPL's guarantee of the Trust Notes Series 2017-A and the 2017 TCPL Sub Notes. TCPL currently has substantial indebtedness and the Trust and TCPL may incur substantial additional indebtedness in the future.

Early Redemption

Upon the occurrence of a Tax Event or a Rating Event, TCPL may cause the Trust to redeem all (but not less than all) of the Trust Notes Series 2017-A at a redemption price equal to par (in the case of a Tax Event) and par plus \$20 (in the case of a Rating Event) plus accrued and unpaid interest to the date fixed for redemption. This redemption right may, depending on prevailing market conditions at the time, create reinvestment risk for holders of the Trust Notes Series 2017-A in that they may be unable to find a suitable replacement investment with a comparable return to the Trust Notes Series 2017-A.

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Interest in Respect of Deferral Events

On each Series 2017-A Interest Payment Date in respect of which a Deferral Event has occurred, interest payable on Trust Notes Series 2017-A will be applied on behalf of holders of Trust Notes Series 2017-A to acquire TCPL Deferral Preferred Shares. This interest will be required to be included in such holder's income. See "Certain Canadian Federal Income Tax Considerations Trust Notes Series 2017-A Interest on the Trust Notes Series 2017-A". In addition, for U.S. federal tax purposes, during any deferral period, the Trust Notes Series 2017-A will be treated as issued with OID (as defined herein) at the time of such deferral and all interest due after such deferral will be treated as OID. Consequently, a U.S. Holder of Trust Notes Series 2017-A would be required to include OID in its gross income even though the Trust would not make any actual cash payments to the holders of Trust Notes Series 2017-A during a deferral period. See "Certain U.S. Federal Income Tax Considerations Interest on the Trust Notes Series 2017-A".

Ratings

Credit ratings may not reflect all risks associated with an investment in the Trust Notes Series 2017-A. Any credit ratings applied to the Trust Notes Series 2017-A are an assessment of TCPL's and the Trust's ability to pay their respective obligations. Consequently, real or anticipated changes in the credit ratings will generally affect the market value of the Trust Notes Series 2017-A. The credit ratings, however, may not reflect the potential impact of risks related to structure, market or other factors discussed herein on the value of the Trust Notes Series 2017-A. There is no assurance that any credit rating assigned to the Trust Notes Series 2017-A will remain in effect for any given period of time or that any rating will not be lowered or withdrawn entirely by the relevant rating agency.

Risks Related to an Investment in TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares

Ratings of TCPL Preferred Shares

The credit ratings, if any, applied to the TCPL Exchange and Deferral Preferred Shares are an assessment of TCPL's ability to pay its obligations. The credit ratings are based on certain assumptions about the future performance and capital structure of TCPL that may or may not reflect the actual performance or capital structure of TCPL. Changes in credit ratings of the TCPL Exchange and Deferral Preferred Shares may affect the market price or value and the liquidity of the TCPL Exchange and Deferral Preferred Shares. There is no assurance that any credit rating will be assigned to the TCPL Exchange and Deferral Preferred Shares, or that any credit rating assigned to the TCPL Exchange and Deferral Preferred Shares will remain in effect for any given period of time, or that any rating will not be lowered or withdrawn entirely by the relevant rating agency.

Dividends

Holders of TCPL Exchange and Deferral Preferred Shares do not have a right to dividends on such shares unless declared by the Board of Directors. The declaration of dividends is in the discretion of the Board of Directors even if TCPL has sufficient funds, net of its liabilities, to pay such dividends. TCPL may not declare or pay a dividend if there are reasonable grounds for believing that (i) TCPL is, or would after the payment be, unable to pay its liabilities as they become due, or (ii) the realizable value of TCPL's assets would thereby be less than the aggregate of its liabilities and stated capital of its outstanding shares. Liabilities of TCPL will include those arising in the course of its business, indebtedness, including inter-company debt, and amounts, if any, that are owing by TCPL under guarantees in respect of which a demand for payment has been made. In addition, a dividend (including a deemed dividend) received on TCPL Exchange and Deferral Preferred Shares may be

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subject to Canadian non-resident withholding tax and, if any such dividends are so subject, no additional amounts will be payable to holders of TCPL Exchange and Deferral Preferred Shares in respect of such withholding tax. See "Certain Canadian Federal Income Tax Considerations TCPL Exchange and Deferral Preferred Shares Dividends".

Insolvency or Winding-Up

The TCPL Exchange and Deferral Preferred Shares do not constitute indebtedness and are equity capital of TCPL which rank junior to all indebtedness and other non-equity claims and equally with the other first preferred shares of TCPL, if any, in the event of an insolvency or winding-up of TCPL. If TCPL becomes insolvent or is wound up, TCPL's assets must be used to pay liabilities and other debt before payments may be made on the TCPL Exchange and Deferral Preferred Shares and other first preferred shares, if any.

No Fixed Maturity

The TCPL Exchange and Deferral Preferred Shares do not have a fixed maturity date and are not redeemable at the option of the holders of the TCPL Exchange and Deferral Preferred Shares. The ability of a holder to liquidate its holdings of TCPL Exchange and Deferral Preferred Shares may be limited.

Voting Rights

Holders of TCPL Exchange and Deferral Preferred Shares will not have any voting rights except in the event of the non-payment of six quarterly dividends as described under "Description of TCPL Exchange Preferred Shares and TCPL Deferral Preferred Shares Voting Rights" or otherwise required by law.

Secondary Market and Liquidity

There can be no assurance that an active trading market will develop for the TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares following the issuance of any of those shares, or if developed, that such a market will be liquid or sustained at the issue price of such shares. TCPL is under no obligation to list the TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares on any stock exchange or other market.

The ability of a holder to pledge TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares or otherwise take action with respect to such holder's interest therein (other than through a Participant) may be limited due to the lack of a physical certificate.

Market Value

The market value of the TCPL Exchange and Deferral Preferred Shares may fluctuate due to a variety of factors relative to TCPL's business, including announcements of new developments, fluctuations in TCPL's operating results, sales of TCPL Preferred Shares, failure to meet analysts' expectations, the impact of various tax laws or rates and general market conditions or the worldwide economy. More specifically, as a result of the 2016 U.S. presidential election and the related change in political agenda, coupled with the transition of administration, there is uncertainty as to the position the United States will take with respect to world affairs and events. This uncertainty may include issues such as U.S. support for existing treaty and trade relationships with other countries, including Canada. There can be no assurance that the market value of the TCPL Exchange and Deferral Preferred Shares will not experience significant fluctuations in the future, including fluctuations that are unrelated to TCPL's performance. Prevailing yields on similar securities will affect the market value of the TCPL Exchange and Deferral Preferred Shares. Assuming all other factors remain unchanged, the market

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value of the TCPL Exchange and Deferral Preferred Shares would be expected to decline as prevailing yields for similar securities rise and would be expected to increase as prevailing yields for similar securities decline. Spreads over LIBOR and comparable benchmark rates of interest for similar securities will also affect the market value of the TCPL Exchange and Deferral Preferred Shares in an analogous manner. In addition, the market value of the TCPL Exchange and Deferral Preferred Shares will be significantly adversely affected in the event that dividends are not paid on such shares. See "Risks Related to an Investment in TCPL Exchange Preferred Shares or TCPL Preferred Shares – Dividends".

THE TRUST

General

The Trust is a unit trust established under the laws of Ontario by the Trustee pursuant to the Declaration of Trust on September 16, 2014. The Trust has been formed for the purpose of issuing debt securities, including, the Trust Notes – Series 2015-A, the Trust Notes – Series 2016-A, and the Trust Notes – Series 2017-A, and acquiring and holding the Trust Assets in order to generate funds for payment of principal, interest, the redemption price and the amounts payable on purchase for cancellation, if any, and any other amounts, in respect of its debt securities, including the Trust Notes – Series 2017-A. The Offering will provide TCPL with a cost-effective means of raising capital which qualifies for Basket "C" equity treatment by Moody's and for "Intermediate Equity Credit" by S&P.

The Trust's head office is located at 450 – 1st Street S.W., Calgary, Alberta, T2P 5H1.

The Trust is not a trust company and does not carry on business as a trust company and, accordingly, the Trust is not registered under the trust company legislation of any jurisdiction. The Trust Notes – Series 2017-A are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under the provisions of that act or any other legislation.

Activities of the Trust

The Trust's objective is to acquire and hold the Trust Assets that will generate funds for payment of principal, interest, the redemption price and the amounts payable on purchase for cancellation, if any, and any other amounts, in respect of its debt securities, including the Trust Notes – Series 2017-A. The Trust Assets primarily consist of the TCPL Sub Notes. Each TCPL Sub Note is a junior subordinated unsecured obligation of TCPL. The Trust may also acquire and hold other assets, including money, debt obligations and contractual rights in respect of the activities and operations of the Trust from time to time.

Capitalization

Immediately after the issuance by the Trust of the Trust Notes – Series 2017-A pursuant to the Offering, and the purchase by the Trust of the 2017 TCPL Sub Notes the Trust will have approximately U.S.\$ _____ in Trust Assets, U.S.\$ _____ of capital attributable to the Trust Notes – Series 2017-A, U.S.\$1,200,000,000 of capital attributable to the Trust Notes – Series 2016-A, U.S.\$750,000,000 of capital attributable to the Trust Notes – Series 2015-A and U.S.\$5,001,000 of capital attributable to the Voting Trust Units. See "Capitalization of the Trust" and "Risk Factors".

Conflicts of Interest

Due to the nature of the Trust's relationship with TCPL and its affiliates, it is possible that conflicts of interest will arise with respect to certain transactions, including the Trust's acquisition of Trust Assets from TCPL and/or its affiliates. See "Interests of TCPL and its Affiliates in Material

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Transactions" and "Principal Holders of Securities". It is the Trust's policy that the terms of any financial dealings with TCPL or any of its affiliates will be consistent with those available from third parties.

Conflicts of interest between the Trust and TCPL and its affiliates may also arise in connection with actions taken by TCPL, as direct or indirect holder of the Voting Trust Units. It is intended that any agreements and transactions between the Trust, on the one hand, and TCPL and its affiliates, on the other hand, including the Administration Agreement, the Assignment and Set-Off Agreement and the Share Exchange Agreement, will be fair to the parties and consistent with market terms for such types of transactions. However, there can be no assurance that any such agreement or transaction will be on terms as favourable to the Trust as would have been obtained from unaffiliated third parties.

The Administrative Agent

The Trustee has entered into an agreement (the "Administration Agreement") with TCPL, pursuant to which the Trustee has delegated to TCPL certain of its obligations in relation to the administration of the Trust. TCPL, in its role as administrative agent under the Administration Agreement (the "Administrative Agent") will, at the request of the Trustee, administer the day-to-day operations of the Trust and perform such other matters as may be requested by the Trustee from time to time. The Administrative Agent may, from time to time, delegate or sub-contract all or a portion of its obligations under the Administration Agreement to one or more of its qualified affiliates. The Administrative Agent will not, in connection with the delegation or sub-contracting of any of such obligations, be discharged or relieved in any respect from its obligations under the Administration Agreement. The Administrative Agent will be entitled to receive an annual administration fee.

The Administration Agreement has an initial 10-year term and will be automatically renewed each year thereafter subject to the right of the Trustee to replace the Administrative Agent and/or terminate the Administration Agreement at any time upon written notice if performance of the Administrative Agent's duties is not permitted by law; the Administrative Agent ceases to be resident in Canada for purposes of the Tax Act; the Trustee is directed to do so by holders of Voting Trust Units; or upon the occurrence of one or more events generally related to the failure of the Administrative Agent to perform its obligations under the Administration Agreement in a proper and timely manner which is not remedied within 90 days of notice.

Liquidity

The Trust will only borrow funds from TCPL or its affiliates pursuant to the Credit Facility and will use borrowed funds only for the purposes of ensuring liquidity in the normal course of the Trust's activities and to facilitate the payment by the Trust of its expenses including the expenses of the Offering.

Certain Continuous Disclosure Requirements

The Trust is a reporting issuer in the provinces of Alberta and Ontario, and may in future become a reporting issuer in other provinces and territories of Canada where such concept exists. As such, the Trust is required, among other things, to make continuous disclosure filings with applicable Canadian securities regulatory authorities; however, the Trust relies on available exemptions for issuers that have issued debt securities guaranteed by a parent credit supporter that allows it to rely on and file TCPL's interim unaudited and annual audited financial statements, annual information form, management information circular (if any) and other continuous disclosure documents required to be filed by TCPL from time to time. So long as this exemption is applicable, the Trust will not be required to file interim unaudited and annual audited financial statements, including management's discussion and analysis of the financial condition and results of operation of the Trust, interim and annual certificates signed by

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the chief executive officer and chief financial officer, an information circular or an annual information form of the Trust, and holders of the Trust Notes Series 2017-A will not receive such financial statements and other continuous disclosure documents of the Trust. It is expected, however, that the Trust will remain subject to the requirement to file material change reports in the event of any material change in the affairs of the Trust. The Trust will also file these documents with the SEC on EDGAR until such time as it is eligible to cease reporting with the SEC.

CONSOLIDATING SUMMARY FINANCIAL INFORMATION

The table below contains consolidated financial information as at and for the years ended December 31, 2016 and 2015 for (i) TCPL, (ii) the Trust, (iii) TCPL's subsidiaries, other than the Trust, on a combined basis, (iv) consolidating adjustments and (v) TCPL and all of its subsidiaries on a consolidated basis. This summary financial information should be read in conjunction with TCPL's annual audited consolidated financial statements for the years ended December 31, 2016 and 2015, which are incorporated by reference in this prospectus.

For the years ended and as at December 31, 2016 and 2015⁽¹⁾

(in billions of Canadian dollars, except the Trust)	TCPL ⁽²⁾		Subsidiaries of TCPL other than the Trust ⁽³⁾		Consolidating adjustments ⁽⁴⁾		TCPL (consolidated) ⁽⁵⁾		The Trust ⁽⁶⁾ (millions of Canadian dollars)	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenues	1.7	1.8	11.8	9.0	(1.0)	0.5	12.5	11.3	95.5	36.5
Net income attributable to controlling interests	0.3	(1.1)	0.4	0.1	(0.4)	(0.1)	0.3	(1.1)	3.5	2.6
Current assets	0.5	1.7	8.6	4.1	(1.0)	0.6	8.1	6.4	52.7	15.2
Non-current assets	65.9	53.1	90.2	61.7	(76.3)	(54.4)	79.8	60.5	2,618.3	1,038.0
Current liabilities	7.9	4.7	3.8	3.3	(1.7)	(0.3)	10.0	7.7	46.7	9.2
Non-current liabilities	33.8	29.8	57.9	38.1	(38.5)	(29.1)	53.2	38.9	2,618.3	1,038.0

- (1) The consolidating summary financial information presented in this table is unaudited and does not give effect to the offering of Trust Notes Series 2017-A or any other transactions subsequent to the dates shown. TCPL's independent auditors have not performed a review of this consolidating summary financial information.
- (2) TCPL is presenting the above on the basis of accounting for investments in all its subsidiaries using the equity method.
- (3) These columns account for all direct and indirect subsidiaries of TCPL on a combined basis.
- (4) These columns include the necessary amounts to eliminate the intercompany balances and transactions between TCPL and its subsidiaries and other adjustments to arrive at the information for TCPL on a consolidated basis for each respective period.
- (5) TCPL (consolidated) is presented in accordance with U.S. GAAP.
- (6) The Trust's financial results are not consolidated into TCPL's financial statements under U.S. GAAP and, as such, the Trust is not included in the consolidated financial results of TCPL in the above tables.

USE OF PROCEEDS

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The gross proceeds to the Trust from the Offering of U.S.\$ _____ in respect of the Trust Notes Series 2017-A will be used to acquire the 2017 TCPL Sub Notes from TCPL. TCPL, in turn, intends to use the proceeds from the issue of the 2017 TCPL Sub Notes for general corporate purposes and to reduce short term indebtedness of TCPL and its affiliates, which short term indebtedness was used to fund TCPL's capital program and for general corporate purposes. TCPL may invest the funds that it does not immediately require in short term marketable debt securities. The Offering will provide TCPL with a cost-effective means of raising capital which qualifies for Basket "C" equity treatment by Moody's and for "Intermediate Equity Credit" by S&P.

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The following table sets forth the capitalization of the Trust as of the date of this prospectus and as adjusted to reflect the closing of the Offering.

		Outstanding as at , 2017 (in thousands of U.S. dollars)	Outstanding as at , 2017 after giving effect to the Offering⁽¹⁾ (in thousands of U.S. dollars)
Trust Notes	Series 2017-A	U.S.\$	U.S.\$
Trust Notes	Series 2016-A	1,200,000	1,200,000
Trust Notes	Series 2015-A	750,000	750,000
Voting Trust Units		5,001	5,001
Original Settlement Amount		1	1
Trust Capital		U.S.\$ 1,955,001	U.S.\$

(1) Issue costs including the Underwriters' fee are estimated to be U.S.\$.

TCPL**General**

TCPL operates in three core businesses – Natural Gas Pipelines, Liquids Pipelines and Energy. As a result of our acquisition of Columbia on July 1, 2016 and the pending monetization of the U.S. Northeast power business, we have determined that a change in our operating segments is appropriate. Accordingly, we consider ourselves to be operating in the following segments: Canadian Natural Gas Pipelines, U.S. Natural Gas Pipelines, Mexico Natural Gas Pipelines, Liquids Pipelines and Energy. This provides information that is aligned with how management decisions about our business are made and how performance of our business is assessed. We also have a non-operational Corporate segment consisting of corporate and administrative functions that provide governance and other support to our operational business segments.

TCPL's principal subsidiaries as of December 31, 2015 are indicated in the diagram under the heading "TransCanada PipeLines Limited – Intercorporate Relationships" in the Annual Information Form. All of the outstanding common shares of TCPL are owned by TCC. As described in the MCR and the BAR, on July 1, 2016, TCPL indirectly acquired all of the outstanding shares of Columbia.

Consolidated Capitalization

There have been no material changes in the share and loan capital of TCPL, on a consolidated basis, since December 31, 2016.

Use of Proceeds

TCPL intends to use the proceeds from the issue of the 2017 TCPL Sub Notes for general corporate purposes and to reduce short term indebtedness of TCPL and its affiliates, which short term indebtedness was used to fund TCPL's capital program and for general corporate purposes. TCPL may invest the funds that it does not immediately require in short term marketable debt securities. The Offering will provide TCPL with a cost-effective means of raising capital which qualifies for Basket "C" equity treatment by Moody's and for "Intermediate Equity Credit" by S&P.

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Earnings Coverage

Period Ended December 31, 2015

The following financial ratios have been calculated on a consolidated basis for the 12-month period ended December 31, 2015 and are based on audited and unaudited financial information. The following financial ratios give *pro forma* effect to the Acquisition on the same basis as in the unaudited *pro forma* condensed consolidated statement of income of the Corporation for the year ended December 31, 2015 included as Schedule D to the BAR and to the issuance of and related use of proceeds of the following: U.S.\$400 million principal amount of 3.125% senior notes due 2019 on January 27, 2016 (the "January 2016 3.125% Senior Notes"), U.S.\$850 million principal amount of 4.875% senior notes due 2026, on January 27, 2016 (the "January 2016 4.875% Senior Notes" and, collectively with the January 2016 3.125% Senior Notes, the "January 2016 Notes"), \$300 million principal amount of 3.69% medium term notes due 2023, on June 6, 2016 (the "June 2016 3.69% Notes"), \$700 million principal amount of 4.35% medium term notes due 2046, on June 6, 2016 (the "June 2016 4.35% Notes" and, collectively with the June 2016 3.69% Notes, the "June 2016 Notes"), the drawdown of an aggregate principal amount of U.S.\$6.9 billion by TCPL and TransCanada Pipeline USA Ltd. under the Acquisition Credit Facilities (defined herein) and the subsequent repayment of U.S.\$3.7 billion thereunder (the "Acquisition Credit Facilities Transactions"), U.S.\$1.2 billion principal amount of 6.125% (reset quarterly starting August 11, 2026) subordinated notes due 2076 (the "2016 TCPL Sub Notes") on August 15, 2016 and the 2017 TCPL Sub Notes as described in this prospectus and the intended use of proceeds therefrom based on a reasonable estimate of the PREP information (as such term is defined in National Instrument 44-103 Post-Receipt Pricing ("NI 44-103")) (such adjustments, collectively the "Post-December 31, 2015 Adjustments"). Adjustments for other normal course issuances and repayments of long-term debt subsequent to December 31, 2015, would not materially affect the ratios and, as a result, have not been made.

	Giving Pro Forma effect to the Acquisition December 31, 2015 times⁽¹⁾
Earnings coverage on long-term debt and current liabilities	
Supplemental coverage ratio: earnings coverage on long-term debt, current liabilities excluding non-cash impairment charges for Keystone XL and related projects	times ⁽²⁾⁽³⁾

(1)

The dollar amount of the numerator for this earnings coverage ratio that would be required to achieve a ratio of one-to-one is \$ _____ billion. TCPL's interest requirements for the 12 months ended December 31, 2015 after giving *pro forma* effect to the Acquisition and the Post-December 31, 2015 Adjustments amounted to approximately \$ _____ billion. TCPL's earnings before interest expense and income tax for the 12-month period ended December 31, 2015 were approximately \$ _____ billion, which is _____ times such *pro forma* interest requirements for the period.

(2)

Excludes the non-cash impairment charges for Keystone XL and related projects of \$3.686 billion (pre tax). This supplemental coverage ratio is therefore based on a financial measure that is a non-GAAP financial measure and does not have the standardized meaning of "earnings" as prescribed by Form 44-101F1 Short Form Prospectus ("**44-101F1**") and therefore may not be comparable to similar measures presented by other entities. This measure should not be construed as an alternative to the prescribed ratios based off of "earnings" as defined in 44-101F1.

(3)

TCPL's interest requirements for the 12 months ended December 31, 2015 after giving *pro forma* effect to the Acquisition and the Post-December 31, 2015 Adjustments and excluding the non-cash impairment charges for Keystone XL and related projects amounted to approximately \$ _____ billion. TCPL's earnings before interest expense and income tax for the 12-month period ended December 31, 2015 were approximately \$ _____ billion, which is _____ times such *pro forma* interest requirements for the period.

Period ended March 31, 2016

The following financial ratios have been calculated on a consolidated basis for the 3-month period ended March 31, 2016 and are based on unaudited financial information. The following financial ratios

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give *pro forma* effect to the Acquisition on the same basis as in the unaudited *pro forma* condensed consolidated statement of income of the Corporation for the three months ended March 31, 2016 included as Schedule D to the BAR and to the issuance and related use of proceeds of the June 2016 Notes, the Acquisition Credit Facilities Transactions, the 2016 TCPL Sub Notes and the 2017 TCPL Sub Notes as described in this prospectus and the intended use of proceeds therefrom based on a reasonable estimate of the PREP information (as such term is defined in NI 44-103) (such adjustments, collectively the "Post-March 31, 2016 Adjustments"). Adjustments for other normal course issuances and repayments of long-term debt subsequent to March 31, 2016, would not materially affect the ratios and, as a result, have not been made.

	Giving <i>Pro Forma</i> effect to the Acquisition March 31, 2016 times⁽¹⁾
<u>Earnings coverage on long-term debt and current liabilities</u>	

(1)

TCPL's interest requirements for the 3 months ended March 31, 2016 after giving *pro forma* effect to the Acquisition and the Post-March 31, 2016 Adjustments amounted to approximately \$ billion. TCPL's earnings before interest expense and income tax for the 3-month period ended March 31, 2016 were approximately \$ billion, which is times such *pro forma* interest requirements for the period.

Period Ended December 31, 2016

The following financial ratios for TCPL have been calculated on a consolidated basis for the 12-month period ended December 31, 2016 and are based on unaudited and audited financial information. The following financial ratios give *pro forma* effect to the repayment of U.S.\$500 million under the Acquisition Credit Facilities on February 8, 2017 and the issuance of the 2017 TCPL Sub Notes as described in this prospectus and the intended use of proceeds therefrom based on a reasonable estimate of the PREP information (as such term is defined in NI 44-103)(collectively, the "Post December 31, 2016 Adjustments"). Adjustments for other normal course issuances and repayments of long-term debt subsequent to December 31, 2016 would not materially affect the ratios and, as a result, have not been made.

	December 31, 2016 times⁽¹⁾
<u>Earnings coverage on long-term debt and current liabilities</u>	
Supplemental coverage ratio: earnings coverage on long-term debt and current liabilities excluding non-cash impairment charges for Ravenswood goodwill and Assets Held for Sale at December 31, 2016	times ⁽²⁾⁽³⁾

(1)

The dollar amount of the numerator for this earnings coverage ratio that would be required to achieve a ratio of one-to-one is \$ billion. TCPL's interest requirements for the 12 months ended December 31, 2016 after giving *pro forma* effect to the Post-December 31, 2016 Adjustments amounted to approximately \$ billion. TCPL's earnings before interest expense and income tax for the 12-month period ended December 31, 2016 were approximately \$ billion, which is times such *pro forma* interest requirements for the period.

(2)

Excludes the non-cash impairment charges for Ravenswood goodwill and Assets Held for Sale at December 31, 2016 of \$1.914 billion (pre tax). This supplemental coverage ratio is therefore based on a financial measure that is a non-GAAP financial measure and does not have the standardized meaning of "earnings" as prescribed by 44-101F1 and therefore may not be comparable to similar measures presented by other entities. This measure should not be construed as an alternative to the prescribed ratios based off of "earnings" as defined in 44-101F1.

(3)

TCPL's interest requirements for the 12 months ended December 31, 2016 after giving *pro forma* effect to the Post-December 31, 2016 Adjustments and excluding the impairment charges for Ravenswood goodwill and Assets Held for Sale at December 31, 2016 amounted to approximately \$ billion. TCPL's earnings before interest expense and income tax for the 12-month period ended December 31, 2016 were approximately \$ billion, which is times such *pro forma*

interest requirements for the period.

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DESCRIPTION OF THE TRUST SECURITIES

Trust Notes Series 2017-A

The following is a summary of the rights, privileges, restrictions, obligations and conditions attaching to the Trust Notes Series 2017-A and certain provisions of the Trust Indenture and related agreements. This summary is qualified in its entirety by the provisions of the Trust Indenture and such related agreements. A copy of the Trust Indenture and such related agreements may be inspected during normal business hours at the principal office of the Administrative Agent in Calgary, Alberta, during the course of the distribution of the Trust Notes Series 2017-A. Following closing of the Offering, a copy of the Trust Indenture and such related agreements will be available on SEDAR at www.sedar.com.

Holders of the Trust Notes Series 2017-A shall have no recourse to the assets of the Trustee in connection with any payments in respect of the Trust Notes Series 2017-A. For information concerning the TCPL Exchange Preferred Shares into which the Trust Notes Series 2017-A are, in certain circumstances, exchangeable as described under "Automatic Exchange" below, see "Description of TCPL Exchange Preferred Shares and TCPL Deferral Preferred Shares". For information concerning the TCPL Deferral Preferred Shares, which in certain circumstances holders of the Trust Notes Series 2017-A will be required to purchase with interest or the right to receive a payment of interest on the Trust Notes Series 2017-A as described under "Deferral Right" below, see "Description of TCPL Exchange Preferred Shares and TCPL Deferral Preferred Shares".

Interest and Maturity

From the Closing Date to _____, 2027, the Trust will pay interest on the Trust Notes Series 2017-A in equal semi-annual installments on _____ and _____ of each year to the persons in whose name the Trust Notes Series 2017-A are registered at the close of business on the preceding _____ or _____, respectively. Notwithstanding the foregoing, assuming the Trust Notes Series 2017-A are issued on _____, 2017, the first interest payment on the Trust Notes Series 2017-A on _____, 2017 will be in the amount of U.S.\$ _____ per U.S.\$1,000 principal amount of Trust Notes Series 2017-A. Starting on _____, 2027, the Trust will pay interest on the Trust Notes Series 2017-A on every _____, _____ and _____ of each year during which the Trust Notes Series 2017-A are outstanding thereafter until _____, 2077 to the persons in whose name the Trust Notes Series 2017-A are registered at the close of business on the preceding _____, _____, _____ or _____, respectively (each such semi-annual or quarterly date, as applicable, a "Series 2017-A Interest Payment Date").

From the Closing Date to, but excluding, _____, 2027, the interest rate on the Trust Notes Series 2017-A will be fixed at _____ % per annum, payable in arrears. Starting on _____, 2027, and on every _____, _____ and _____ of each year during which the Trust Notes Series 2017-A are outstanding thereafter until _____, 2077 (each such date, a "Series 2017-A Interest Reset Date"), the interest rate on the Trust Notes Series 2017-A will be reset as follows: (i) starting on _____, 2027, on every Series 2017-A Interest Reset Date, until _____, 2047, the interest rate on the Trust Notes Series 2017-A will be reset at an interest rate per annum equal to the three month LIBOR plus _____ %, payable in arrears, with the first payment at such rate being on _____, 2027, and (ii) starting on _____, 2047, on every Series 2017-A Interest Reset Date, until _____, 2077, the interest rate on the Trust Notes Series 2017-A will be reset on each Series 2017-A Interest Reset Date at an interest rate per annum equal to the three month LIBOR plus _____ %, payable in arrears, with the first payment at such rate being on _____, 2047.

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The Trust Notes Series 2017-A will mature on _____, 2077. Holders of the Trust Notes Series 2017-A may, in certain circumstances, be required to apply interest payable on the Trust Notes Series 2017-A to acquire TCPL Deferral Preferred Shares. See " Deferral Right" below.

Interest for each Series 2017-A Interest Period from the Closing Date to, but excluding, _____, 2027, will be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest for each Series 2017-A Interest Period from _____, 2027 to _____, 2077 will be calculated on the basis of the actual number of days elapsed during each such Series 2017-A Interest Period and a 360-day year. For the purposes of disclosure under the *Interest Act* (Canada), and without affecting the interest payable on the Trust Notes Series 2017-A, whenever the interest rate on the Trust Notes Series 2017-A is to be calculated on the basis of a period of less than a calendar year, the yearly interest rate equivalent for such interest rate will be the interest rate multiplied by the actual number of days in the relevant calendar year and divided by the number of days used in calculating the specified interest rate.

If a Series 2017-A Interest Payment Date falls on a day that is not a Business Day, the Series 2017-A Interest Payment Date will be postponed to the next Business Day, and no further interest will accrue in respect of such postponement.

Specified Denominations

The Trust Notes Series 2017-A will be issued only in minimum denominations of U.S.\$1,000 and integral multiples thereof.

Deferral Right

On each Series 2017-A Interest Payment Date in respect of which a Deferral Event has occurred (each a "Deferral Date"), holders of the Trust Notes Series 2017-A will be required to apply interest payable thereon to acquire TCPL Deferral Preferred Shares. A new series of TCPL Deferral Preferred Shares will be issued in respect of each Deferral Date. The subscription amount of each TCPL Deferral Preferred Share will be an amount equal to U.S.\$1,000 and the number of TCPL Deferral Preferred Shares subscribed for in respect of the Trust Notes Series 2017-A on each Deferral Date (including fractional shares, if applicable) will be calculated by dividing the amount of the interest payment on the Trust Notes Series 2017-A on the applicable Deferral Date by U.S.\$1,000. For greater certainty, whether or not a Deferral Event has occurred in respect of a particular Series 2017-A Interest Payment Date will be determined prior to the commencement of the Series 2017-A Interest Period ending on the day immediately preceding such Series 2017-A Interest Payment Date.

A Deferral Event for the Trust Notes Series 2017-A will occur in circumstances where: (i) TCPL has failed to declare cash dividends on all of the outstanding TCPL Preferred Shares, if any, consistent with TCPL's dividend practice in effect from time to time with respect to TCPL Preferred Shares (other than a failure to declare dividends on such shares during a Dividend Restricted Period) in each case in the last 90 days preceding the commencement of the Series 2017-A Interest Period ending on the day preceding the relevant Series 2017-A Interest Payment Date (a "Missed Dividend Deferral Event"); or (ii) TCPL elects, at its sole option, prior to the commencement of the Series 2017-A Interest Period ending on the day preceding the relevant Series 2017-A Interest Payment Date, that holders of the Trust Notes Series 2017-A apply interest paid on such Trust Notes Series 2017-A on the relevant Series 2017-A Interest Payment Date to acquire TCPL Deferral Preferred Shares (an "Other Deferral Event"). There is no limit on the number of Deferral Events that may occur.

The issuance of TCPL Deferral Preferred Shares upon the occurrence of any Deferral Event will be effected pursuant to the Assignment and Set-Off Agreement, whereby: (i) TCPL assigns, transfers and conveys to the Trust all of its right, title and interest in the subscription proceeds (the "Deferral Event Subscription Proceeds") payable to TCPL in connection with the Deferral Event Subscription

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(the "Deferral Event Subscription Proceeds Assignment"); (ii) the Trust agrees that on each TCPL Sub Note Interest Payment Date that is a Deferral Date, the interest payable to the Trust by TCPL on such TCPL Sub Note Interest Payment Date pursuant to the 2017 TCPL Sub Notes shall have been satisfied to the extent of an amount equal to the aggregate Deferral Event Subscription Proceeds payable by holders of the Trust Notes Series 2017-A in connection with the TCPL Deferral Preferred Shares issued on such Deferral Date pursuant to the Deferral Event Subscription Proceeds Assignment and TCPL shall only be required to pay cash to the Trust in an amount equal to the excess of the interest payable by TCPL pursuant to the 2017 TCPL Sub Notes on such TCPL Sub Note Interest Payment Date over the amount of such Deferral Event Subscription Proceeds; and (iii) the Indenture Trustee, on behalf of holders of the Trust Notes Series 2017-A, agrees that on each Series 2017-A Interest Payment Date that is a Deferral Date, without any further action being required by TCPL, the Trust or holders of the Trust Notes Series 2017-A, the right of the holders of the Trust Notes Series 2017-A to receive the interest thereon in respect of the relevant Series 2017-A Interest Payment Date shall be automatically set-off against their obligation to pay the cash subscription price for the TCPL Deferral Preferred Shares to the Trust, as assignee, without any payment of cash by the Trust in respect of the interest or by the holders in respect of the subscription price. As a result, pursuant to the Assignment and Set-Off Agreement, a holder's entitlement in the case of a Deferral Event on a Series 2017-A Interest Payment Date is to the delivery of the TCPL Deferral Preferred Shares.

In acting pursuant to the Assignment and Set-Off Agreement, TCPL shall promptly create, issue and distribute such number of TCPL Deferral Preferred Shares (including fractional shares, if applicable) as are issuable pursuant to the Deferral Event Subscription. If any TCPL Deferral Preferred Shares require registration or qualification with or approval of or the filing of any document, including any prospectus or similar document, or the taking of any proceeding with or the obtaining of any order, ruling, approval or consent from any governmental or regulatory authority under any applicable Canadian or U.S. law before such TCPL Deferral Preferred Shares may be issued and delivered by TCPL in connection with a Deferral Event, TCPL shall in good faith, expeditiously take all such actions and do all such things as are necessary to cause such TCPL Deferral Preferred Shares to be duly registered, qualified or approved as and to the extent required for such purpose pursuant to such applicable laws.

Upon a Deferral Event, TCPL reserves the right not to issue TCPL Deferral Preferred Shares to an Ineligible Person. In such circumstances, the Indenture Trustee will hold all TCPL Deferral Preferred Shares that would otherwise be delivered to Ineligible Persons, as agent for Ineligible Persons, and the Indenture Trustee will deliver such shares to a broker retained by TCPL for the purpose of effecting the sale (to parties other than TCPL and its affiliates or other Ineligible Persons) on behalf of such Ineligible Persons of such TCPL Deferral Preferred Shares. Such sales, if any, may be made at any time and any price. Neither TCPL, the Trust nor the Indenture Trustee will be subject to any liability for failing to sell TCPL Deferral Preferred Shares on behalf of any such Ineligible Persons or at any particular price on any particular day. The net proceeds received by the Indenture Trustee from the sale of any TCPL Deferral Preferred Shares will be divided among the Ineligible Persons in proportion to the number of TCPL Deferral Preferred Shares that would otherwise have been deliverable to them, after deducting the costs of sale and any applicable withholding taxes. The Indenture Trustee will make payment of the aggregate net proceeds to the Clearing Agency (if the Trust Notes Series 2017-A are then held in the book-entry only system) or to the registrar and transfer agent (in all other cases) for distribution to such Ineligible Persons in accordance with the Clearing Agency Procedures or otherwise.

As a precondition to the delivery of any certificate or other evidence of issuance representing any TCPL Deferral Preferred Shares or related rights following a Deferral Event, TCPL may require the Trust to obtain from any Holder of Trust Notes Series 2017-A (and persons holding Trust Notes Series 2017-A represented by such Holder of Trust Notes Series 2017-A) a declaration, in form and

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substance satisfactory to TCPL, confirming compliance with any applicable regulatory requirements to establish that such Holder of Trust Notes Series 2017-A is not, and does not represent, an Ineligible Person.

Dividend Stopper Undertaking

Pursuant to the Assignment and Set-Off Agreement, TCC and TCPL will covenant for the benefit of holders of the Trust Notes Series 2017-A that, in the event of a Deferral Event, in the period commencing on the relevant Deferral Date to, but excluding, the first day of the applicable Dividend Declaration Resumption Month: (i) neither TCC nor TCPL will declare dividends of any kind on any of the Dividend Restricted Shares, as applicable; and (ii) neither TCC, TCPL nor any subsidiary of TCC or TCPL may redeem any Dividend Restricted Shares (other than TCPL Deferral Preferred Shares) or make any payment to holders of any of the Dividend Restricted Shares in respect of dividends not declared or paid on such Dividend Restricted Shares (other than, for greater certainty, accrued and unpaid dividends on TCPL Deferral Preferred Shares that are redeemed), and neither TCC nor TCPL nor any subsidiary of TCC or TCPL may purchase any Dividend Restricted Shares. **It is in the interest of TCPL and TCC to ensure, to the extent within their control, that the Trust pays the interest to holders of the Trust Notes Series 2017-A in cash on each Series 2017-A Interest Payment Date so as to avoid triggering the Dividend Stopper Undertaking.**

Automatic Exchange

The Trust Notes Series 2017-A, including accrued and unpaid interest thereon, will be exchanged automatically (the "Automatic Exchange"), without the consent of the holders thereof, for the right to be issued newly issued TCPL Exchange Preferred Shares upon the occurrence of: (i) the making by TCC or TCPL 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), (ii) any proceeding instituted by TCC or TCPL seeking to adjudicate it a bankrupt or insolvent or seeking liquidation, winding up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy, insolvency or reorganization, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for TCC or TCPL or any substantial part of its property and assets in circumstances where TCC or TCPL, as applicable, is adjudged a bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over TCC or TCPL or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where TCC or TCPL, as applicable, is adjudged a bankrupt or insolvent; or (iv) any proceeding is instituted against TCC or TCPL seeking to adjudicate it a bankrupt or insolvent or seeking liquidation, winding up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy, insolvency or reorganization, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for TCC or TCPL or any substantial part of its property and assets in circumstances where TCC or TCPL, as applicable, is adjudged a bankrupt or insolvent, 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 TCC or TCPL or the appointment of a receiver, interim receiver, trustee, or other similar official for it or for any substantial part of its property and assets.

TCPL will mail written notice of the occurrence of the Automatic Exchange Event to the Trustee within 10 days of such event. Following the Automatic Exchange, holders of the Trust Notes Series 2017-A immediately prior to the Automatic Exchange shall automatically cease to have any claim or entitlement to interest or principal against the Trust or any other rights as holders of Trust Notes Series 2017-A, including under the guarantee by TCPL.

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The TCPL Exchange Preferred Shares will carry the right to receive fixed quarterly cumulative preferential cash dividends, if, as and when declared by the Board of Directors, subject to the *Canada Business Corporations Act*, at the Perpetual Preferred Share Rate, subject to any applicable withholding tax. See "Description of TCPL Exchange Preferred Shares and TCPL Deferral Preferred Shares".

The Automatic Exchange shall occur at the Exchange Time and will be effected pursuant to the terms of the Share Exchange Agreement. As of the Exchange Time, each holder of Trust Notes Series 2017-A shall have exchanged and transferred to TCPL all of such holder's right, title and interest in and to its Trust Notes Series 2017-A and shall thereupon automatically cease to be a holder thereof and all rights of such holder as a debtholder of the Trust (including under the guarantee by TCPL) shall automatically cease and such person shall therefrom be for all purposes entitled to a right to be issued TCPL Exchange Preferred Shares, which right shall be immediately and automatically exercised. Upon such exercise, holders of the Trust Notes Series 2017-A will receive one TCPL Exchange Preferred Share for each U.S.\$1,000 principal amount of Trust Notes Series 2017-A previously held together with the number of TCPL Exchange Preferred Shares (including fractional shares, if applicable) calculated by dividing the amount of accrued and unpaid interest, if any, on the Trust Notes Series 2017-A, by U.S.\$1,000. Holders of the Trust Notes Series 2017-A will individually be bound by the Automatic Exchange, acting through the Exchange Trustee, on the basis contemplated by the Share Exchange Agreement.

If, following the occurrence of an Automatic Exchange Event, for any reason, any Trust Notes Series 2017-A remain outstanding and not owned by TCPL or an affiliate of TCPL, the Trust will redeem each U.S.\$1,000 principal amount of Trust Notes Series 2017-A not so exchanged for TCPL Exchange Preferred Shares for consideration consisting of one TCPL Exchange Preferred Share together with the number of TCPL Exchange Preferred Shares (including fractional shares, if applicable) calculated by dividing the amount of accrued and unpaid interest, if any, on the Trust Notes Series 2017-A from the immediately preceding Series 2017-A Interest Payment Date to, but excluding, the date the Automatic Exchange Event occurs, by U.S.\$1,000. Each holder of Trust Notes Series 2017-A so redeemed shall automatically cease to be a holder thereof and all rights of such holder as a debtholder of the Trust will automatically cease and such person shall therefrom be entitled only to the right to be issued TCPL Exchange Preferred Shares. It shall not be necessary for the Trust, in such circumstances, to provide any prior written notice of redemption to holders of the Trust Notes Series 2017-A. The Trust will acquire the TCPL Exchange Preferred Shares required by it for purposes of such redemption, if any, from TCPL pursuant to the Subscription Right.

Upon an Automatic Exchange of the Trust Notes Series 2017-A for the right to receive TCPL Exchange Preferred Shares and the exercise of such right, TCPL reserves the right not to issue TCPL Exchange Preferred Shares to Ineligible Persons. In such circumstances, the Indenture Trustee will hold all TCPL Exchange Preferred Shares that would otherwise be delivered to Ineligible Persons, as agent for Ineligible Persons, and the Indenture Trustee will deliver such shares to a broker retained by TCPL for the purpose of effecting the sale (to parties other than TCPL, its affiliates or other Ineligible Persons) on behalf of such Ineligible Persons of such TCPL Exchange Preferred Shares. Such sales, if any, may be made at any time and any price. Neither TCPL, the Trust nor the Indenture Trustee will be subject to any liability for failing to sell TCPL Exchange Preferred Shares on behalf of any such Ineligible Persons or at any particular price on any particular day. The net proceeds received by the Indenture Trustee from the sale of any such TCPL Exchange Preferred Shares will be divided among the Ineligible Persons in proportion to the number of TCPL Exchange Preferred Shares that would otherwise have been deliverable to them, after deducting the costs of sale and any applicable withholding taxes. The Indenture Trustee will make payment of the aggregate net proceeds to the Clearing Agency (if the Trust Notes Series 2017-A are then held in the book-entry only system) or to the registrar and transfer agent (in all other cases) for distribution to such Ineligible Persons in accordance with the Clearing Agency Procedures or otherwise.

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As a precondition to the delivery of any certificate or other evidence of issuance representing any TCPL Exchange Preferred Shares or related rights following an Automatic Exchange, TCPL may require the Trust to obtain from any Holder of Trust Notes Series 2017-A (and persons holding Trust Notes Series 2017-A represented by such Holder of Trust Notes Series 2017-A) a declaration, in form and substance satisfactory to TCPL, confirming compliance with any applicable regulatory requirements to establish that such Holder of Trust Notes Series 2017-A is not, and does not represent, an Ineligible Person.

As the events that give rise to an Automatic Exchange are bankruptcy and related events, it is in the interests of TCPL to ensure that an Automatic Exchange does not occur, although the events that could give rise to an Automatic Exchange, namely the occurrence of an Automatic Exchange Event, may be beyond TCPL's control.

Trust Redemption Right

On or after _____, 2027, the Trust may, at its option, or at the direction of TCPL, on giving not more than 60 nor less than 30 days' notice to the holders of the Trust Notes Series 2017-A, redeem the Trust Notes Series 2017-A, in whole at any time or in part from time to time on any Series 2017-A Interest Payment Date. The redemption price per U.S.\$1,000 principal amount of Trust Notes Series 2017-A redeemed on any Series 2017-A Interest Payment Date will be par, together with accrued and unpaid interest to, but excluding, the date fixed for redemption. The redemption price payable by the Trust will be paid from the redemption proceeds it receives from TCPL upon the redemption of 2017 TCPL Sub Notes. Trust Notes Series 2017-A redeemed in this regard shall be cancelled and shall not be reissued.

In the event that TCPL causes the Trust to redeem the Trust Notes Series 2017-A, or in the event TCPL or any of its subsidiaries or other affiliates purchase any of the Trust Notes Series 2017-A, TCPL and its subsidiaries or other affiliates intend (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 TCPL or TCC from new issuances by TCPL or TCC or a subsidiary or affiliate of TCPL or TCC (including the Trust) during the period commencing on the 360th calendar day prior to the date of such redemption or purchase of securities which are assigned by S&P at the time of sale or issuance, an aggregate "equity credit" (or such similar nomenclature used by S&P from time to time) that is equal to or greater than the "equity credit" assigned to the Trust Notes Series 2017-A to be redeemed or repurchased at the time of their issuance (but taking into account any changes in hybrid capital methodology or another relevant methodology or the interpretation thereof since the issuance of the Trust Notes Series 2017-A), unless: (i) the issuer credit rating assigned by S&P to TCPL is at least A (or such similar nomenclature then used by S&P or Moody's) and TCPL is comfortable that such rating would not fall below this level as a result of such redemption or purchase, or (ii) in the case of a purchase (x) such repurchase is of less than 10% of the aggregate principal amount of the Trust Notes Series 2017-A originally issued in any period of 12 consecutive months or (y) a maximum of 25% of the aggregate principal amount of the Trust Notes Series 2017-A originally issued in any period of 10 consecutive years is purchased, or (iii) the Trust Notes Series 2017-A are not assigned an "equity credit" (or such similar nomenclature then used by S&P at the time of such redemption or purchase), or (iv) the Trust Notes Series 2017-A are redeemed pursuant to a Rating Event (to the extent it is triggered by a change of methodology at S&P), or a Tax Event, or (v) such redemption or purchase occurs on or after _____, 2047.

Redemption on Rating Event or Tax Event

The Trust may, at its option, on giving not more than 60 nor less than 30 days' notice to the holders of the Trust Notes Series 2017-A, redeem all (but not less than all) of the Trust Notes Series 2017-A upon the occurrence of a Rating Event or a Tax Event. The redemption price per

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U.S.\$1,000 principal amount of Trust Notes Series 2017-A will be equal to par (in the case of a Tax Event) and par plus \$20 (in the case of a Rating Event), together with accrued and unpaid interest to but excluding the date fixed for redemption. Trust Notes Series 2017-A redeemed by the Trust shall be cancelled and shall not be reissued.

Purchase for Cancellation

The Trust Notes Series 2017-A may be purchased, in whole or in part, by the Trust, at the direction of TCPL, in the open market or by tender or private contract. Trust Notes Series 2017-A purchased by the Trust shall be cancelled and shall not be reissued. The purchase price payable by the Trust will be paid in cash. It is anticipated that the purchase price would be par or slightly below par.

Subordination

The Trust Notes Series 2017-A will be direct unsecured subordinated obligations of the Trust. The payment of principal and interest on the Trust Notes Series 2017-A, to the extent provided in the Trust Indenture, will be subordinated in right of payment to the prior payment in full of all present and future Issuer Senior Indebtedness, and will be effectively subordinated to all indebtedness and obligations of any subsidiaries of the Trust.

The subordination provisions and the event of default provisions of the Trust Notes Series 2017-A as described herein are not likely to be relevant to the holders of the Trust Notes Series 2017-A in their capacity as creditors of the Trust since, upon the occurrence of an Automatic Exchange Event, the Automatic Exchange provisions of the Trust Notes Series 2017-A will result in the Trust Notes Series 2017-A being automatically exchanged for the right to be issued TCPL Exchange Preferred Shares effective as of the Exchange Time. See "Risk Factors Risks Related to the Trust Notes Series 2017-A".

Events of Default

An event of default in respect of the Trust Notes Series 2017-A will occur only if the Trust or TCPL (i) resolves to wind-up or liquidate or is ordered wound-up or liquidated (other than in respect of a transaction of the kind permitted under " Merger, Consolidation, Sale, Lease or Conveyance" below or in the event of any other dissolution of it, by operation of law) or (ii) makes a general assignment for the benefit of its creditors, or otherwise acknowledges its insolvency, becomes insolvent or is declared bankrupt or consents to the institution of bankruptcy or insolvency proceedings against it under any bankruptcy, insolvency or analogous laws or if a custodian, sequestrator, liquidator, receiver, receiver and manager or any other officer with similar powers is appointed of it or of its property or any part thereof which is, in the opinion of the Indenture Trustee, a substantial part thereof.

The event of default provisions of the Trust Notes Series 2017-A described herein are not likely to be relevant to holders of the Trust Notes Series 2017-A in their capacity as creditors of the Trust since the Automatic Exchange provisions of the Trust Notes Series 2017-A will result in the Trust Notes Series 2017-A being exchanged for the right to be issued TCPL Exchange Preferred Shares effective as of the Exchange Time. See " Automatic Exchange" and "Risk Factors".

If an event of default has occurred and is continuing, and the Trust Notes Series 2017-A have not already been automatically exchanged for the right to be issued TCPL Exchange Preferred Shares, the Indenture Trustee may, in its discretion and shall upon the request of holders of not less than one-quarter of the principal amount of Trust Notes Series 2017-A then outstanding under the Trust Indenture, declare the principal of and interest on all outstanding Trust Notes Series 2017-A to be immediately due and payable. There will be no right of acceleration in the case of a default in the performance of any covenant of the Trust or TCPL in the Trust Indenture, although a legal action could be brought to enforce such covenant.

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Rights on Termination of the Trust

The Trust may only be terminated with the approval of the holder of the Voting Trust Units and may only be terminated if no Trust Notes Series 2017-A are outstanding or if all Trust Notes Series 2017-A are held by TCPL or any of its affiliates. The holders of the Trust Notes Series 2017-A will not be entitled to initiate proceedings for the termination of the Trust.

TCPL will not approve the termination of the Trust unless the Trust has sufficient funds to pay the redemption price of the Trust Notes Series 2017-A.

Guarantee by TCPL

TCPL will guarantee, on a subordinated basis, the due and punctual payment of the principal amount of and interest on (including, in case of default, interest on the amount in default) the Trust Notes Series 2017-A and performance by the Trust of all the Trust's obligations to the holders of the Trust Notes Series 2017-A pursuant to the Share Exchange Agreement and the Assignment and Set-Off Agreement. The payment of principal and interest under TCPL's guarantee of the Trust Notes Series 2017-A, to the extent provided in the Indenture, will be subordinated in right of payment to the prior payment in full of all present and future Guarantor Senior Indebtedness, and will be effectively subordinated to all indebtedness and obligations of TCPL's subsidiaries.

Additional TCPL Covenants

In addition to the Dividend Stopper Undertaking, TCPL will covenant for the benefit of the holders of the Trust Notes Series 2017-A, pursuant to the Share Exchange Agreement or the Assignment and Set-Off Agreement, as the case may be, that:

- (i) all of the outstanding Voting Trust Units will be held at all times, directly or indirectly, by TCPL;
- (ii) as long as any Trust Notes Series 2017-A are outstanding and held by any person other than TCPL or an affiliate of TCPL, TCPL will not take any action to cause the termination of the Trust;
- (iii) TCPL will not create or issue any TCPL Preferred Shares which, in the event of insolvency or winding-up of TCPL, would rank in right of payment in priority to the TCPL Exchange Preferred Shares or the TCPL Deferral Preferred Shares;
- (iv) TCPL will not assign or otherwise transfer its obligations under the Share Exchange Agreement or the Assignment and Set-Off Agreement, except in the case of a merger, consolidation, amalgamation or reorganization or a sale of substantially all of the assets of TCPL;
- (v) if the Trust Notes Series 2017-A have not been exchanged for rights to be issued TCPL Exchange Preferred Shares following the Automatic Exchange, TCPL will not, without the approval by Extraordinary Resolution of the holders of the Trust Notes Series 2017-A, amend, delete or vary any terms attaching to the TCPL Exchange Preferred Shares other than amendments, deletions or variations which do not negatively impact future holders of TCPL Exchange Preferred Shares and amendments that relate to the preferred shares of TCPL as a class; and
- (vi) prior to the issuance of any TCPL Deferral Preferred Shares in respect of a Deferral Event, TCPL will not, without the approval by Extraordinary Resolution of the holders of the Trust Notes Series 2017-A, amend, delete or vary any terms attaching to the TCPL Deferral Preferred Shares other than amendments, deletions or variations which do not negatively

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impact future holders of TCPL Deferral Preferred Shares and amendments that relate to the preferred shares of TCPL as a class.

Issue of TCPL Exchange and Deferral Preferred Shares in Connection with Automatic Exchange and Deferral Event

All corporate action necessary to authorize TCPL to issue TCPL Exchange and Deferral Preferred Shares pursuant to the terms of the Trust Notes Series 2017-A will be completed prior to the closing of the Offering.

Share Exchange Agreement

On the Closing Date, TCPL, the Trust and the Exchange Trustee, as trustee for the holders of the Trust Notes Series 2017-A, will enter into the Share Exchange Agreement providing for the grant of certain rights and obligations relating to the Automatic Exchange. Pursuant to the Share Exchange Agreement, TCPL will grant to the Exchange Trustee for the benefit of the holders of the Trust Notes Series 2017-A the right to exchange such Trust Notes Series 2017-A for the right to be issued TCPL Exchange Preferred Shares upon an Automatic Exchange and the Exchange Trustee on behalf of the holders of the Trust Notes Series 2017-A will grant to TCPL the right to exchange such Trust Notes Series 2017-A for the right to be issued TCPL Exchange Preferred Shares upon an Automatic Exchange. Holders of the Trust Notes Series 2017-A will individually be bound by the Automatic Exchange, acting through the Exchange Trustee, on the basis contemplated by the Share Exchange Agreement. Pursuant to the Share Exchange Agreement, TCPL will covenant to take or refrain from taking certain actions so as to ensure that holders of the Trust Notes Series 2017-A will receive the benefit of the Automatic Exchange, including obtaining the approval by Extraordinary Resolution of holders of the Trust Notes Series 2017-A to any amendment to the provisions of the TCPL Exchange Preferred Shares (other than any amendments relating to the TCPL Preferred Shares as a class). See " Additional TCPL Covenants" above.

Assignment and Set-Off Agreement

On the Closing Date, TCPL, TCC, the Trust and the Indenture Trustee, as bare trustee and nominee for and on behalf of the holders of the Trust Notes Series 2017-A, will enter into the Assignment and Set-Off Agreement providing for the Dividend Stopper Undertaking and the grant of certain rights and obligations relating to the Deferral Event Subscription.

Capital Reorganizations and Amalgamations

If there is a capital reorganization, merger or amalgamation or sale of substantially all the assets of TCPL or a comparable transaction affecting the TCPL Exchange Preferred Shares, the Share Exchange Agreement will provide that holders of the Trust Notes Series 2017-A will be entitled to receive, pursuant to the Automatic Exchange provisions, after the capital reorganization, merger or amalgamation or sale of substantially all the assets of TCPL or a comparable transaction affecting the TCPL Exchange Preferred Shares, the number of TCPL Exchange Preferred Shares or other securities or consideration of TCPL or of a corporation resulting, surviving or continuing from the capital reorganization, merger or amalgamation or sale of substantially all the assets of TCPL or a comparable transaction affecting the TCPL Exchange Preferred Shares, that such holder would have received had its Trust Notes Series 2017-A been exchanged, pursuant to the Automatic Exchange, for TCPL Exchange Preferred Shares immediately prior to the record date of the capital reorganization, merger or amalgamation or sale of substantially all the assets of TCPL or a comparable transaction affecting the TCPL Exchange Preferred Shares.

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If there is a capital reorganization, merger or amalgamation or sale of substantially all the assets of TCPL or a comparable transaction affecting the TCPL Deferral Preferred Shares, the Assignment and Set-Off Agreement will provide that holders of the Trust Notes Series 2017-A will be entitled to receive, upon a Deferral Event, after the capital reorganization, merger or amalgamation or sale of substantially all the assets of TCPL or a comparable transaction affecting the TCPL Deferral Preferred Shares, the number of TCPL Deferral Preferred Shares or other securities or consideration of TCPL or of a corporation resulting, surviving or continuing from the capital reorganization, merger or amalgamation or sale of substantially all the assets of TCPL or a comparable transaction affecting the TCPL Deferral Preferred Shares, that such holder would have received had the TCPL Deferral Preferred Shares been issued immediately prior to the record date of the capital reorganization, merger or amalgamation or sale of substantially all the assets of TCPL or a comparable transaction affecting the TCPL Deferral Preferred Shares.

Merger, Consolidation, Sale, Lease or Conveyance

The Trust Indenture provides that neither the Trust nor TCPL will merge, amalgamate or consolidate with any other person and will not sell, lease or convey all or substantially all its assets to any person, unless the Trust or TCPL, as applicable, shall be the continuing person, or unless the successor corporation or person that acquires all or substantially all the assets of the Trust or TCPL, as applicable, shall expressly assume all of the covenants to be performed and conditions to be observed by the Trust or TCPL, as applicable, under the Trust Indenture, and unless immediately after such merger, amalgamation, consolidation, sale, lease or conveyance, the Trust or TCPL, as applicable, such person or such successor corporation shall not be in default in the performance of the covenants and conditions of such Trust Indenture to be performed or observed by the Trust or TCPL, as applicable.

If such successor corporation or person that acquires all or substantially all the assets of the Trust or TCPL is organized under the laws of a jurisdiction other than the laws of Canada or any province or territory thereof or the United States, any state thereof or the District of Columbia, such successor corporation or person shall assume the Trust's or TCPL's obligations, as the case may be, under the Indenture to pay Additional Amounts, with the name of such successor jurisdiction being included in addition to Canada in each place that Canada appears in "Payment of Additional Amounts".

Payment of Additional Amounts

All payments made by or on account of any obligation of the Trust under or with respect to the Trust Notes Series 2017-A, or by or on account of any obligation of TCPL under or with respect to its guarantee of the Trust Notes Series 2017-A, shall be made free and clear of and without withholding or deduction for, or on account of, any present or future tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and other liabilities related thereto) imposed or levied by or on behalf of the Government of Canada or any province or territory thereof or by any authority or agency therein or thereof having power to tax (hereinafter, "Canadian Taxes"), unless the Trust or TCPL is required to withhold or deduct Canadian Taxes by law or by the interpretation or administration thereof by the relevant government authority or agency. If the Trust or TCPL is so required to withhold or deduct any amount for or on account of Canadian Taxes from any payment made under or with respect to the Trust Notes Series 2017-A or the guarantee thereof, the Trust or TCPL shall pay as additional interest such additional amounts (hereinafter "Additional Amounts") as may be necessary so that the net amount received by each holder of the Trust Notes Series 2017-A (including Additional Amounts) after such withholding or deduction shall not be less than the amount the holder of the Trust Notes Series 2017-A would have received if such Canadian Taxes had not been withheld or deducted; provided, however, that no Additional Amounts shall be payable with respect to a payment made to a holder of the Trust Notes Series 2017-A (hereinafter an "Excluded Holder") in respect of a beneficial owner (i) with which the Trust or TCPL does not deal at

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arm's length (for purposes of the *Income Tax Act* (Canada)) at the time of the making of such payment, (ii) which is subject to such Canadian Taxes by reason of the failure to comply with any certification, identification, information, documentation or other reporting requirement by a holder of the Trust Notes Series 2017-A if compliance is required by law, regulation, administrative practice or an applicable treaty as a precondition to exemption from, or a reduction in, the rate of deduction or withholding of, such Canadian Taxes, (iii) where all or any portion of the amount paid to such holder of the Trust Notes Series 2017-A is deemed to be a dividend paid to such Holder pursuant to subsection 214(16) of the *Income Tax Act* (Canada), or (iv) which is subject to such Canadian Taxes by reason of its carrying on business in or being connected with Canada or any province or territory thereof otherwise than by the mere holding of Trust Notes Series 2017-A or the receipt of payments thereunder. The Trust or TCPL shall make such withholding or deduction and remit the full amount deducted or withheld to the relevant authority as and when required under applicable law.

If a holder of the Trust Notes Series 2017-A has received a refund or credit for any Canadian Taxes with respect to which the Trust or TCPL has paid Additional Amounts, such holder of the Trust Notes Series 2017-A shall pay over such refund to the Trust or TCPL (but only to the extent of such Additional Amounts), net of all out-of-pocket expenses of such holder of the Trust Notes Series 2017-A, together with any interest paid by the relevant tax authority in respect of such refund.

If Additional Amounts are required to be paid as a result of a Tax Event, the Trust may elect to redeem the outstanding Trust Notes Series 2017-A. See "Redemption on Rating Event or Tax Event" above.

Amendment, Supplement and Waiver

The Trust Indenture or the Trust Notes Series 2017-A may be amended and any existing default or event of default or compliance with any provision of the Trust Indenture or the Trust Notes Series 2017-A may be waived by Extraordinary Resolution; provided that, in any case, without the consent of each holder of the outstanding Trust Notes Series 2017-A affected thereby, the Trust and the Trustee may not (a) extend the stated maturity of the principal of the Trust Notes Series 2017-A, (b) reduce the principal amount thereof or reduce the rate or extend the time of payment of interest thereon, (c) reduce any amount payable on redemption thereof, (d) change the place at which or currency in which principal and interest payments are to be made, (e) reduce the amount of any original issue discount security payable upon acceleration or provable in bankruptcy or impair the right to institute suit for the enforcement of any payment on any of the Trust Notes Series 2017-A when due, or (f) reduce the aforesaid percentage in principal amount of the Trust Notes Series 2017-A.

Issue of Additional Trust Securities

The Trust may, at any time and from time to time, issue additional Voting Trust Units, Trust Notes or other subordinated notes without the authorization of holders of the Trust Notes Series 2017-A. In the event that the Trust issues additional series of subordinated notes, the rights, privileges, restrictions and conditions attached to such additional series may vary materially from the Trust Notes Series 2017-A. In such event, the right of the holders of the Trust Notes Series 2017-A to receive interest or principal may rank *pari passu* with the rights of the holders of other subordinated notes.

The Trust may from time to time without notice to, or the consent of, the holders of the Trust Notes Series 2017-A, create and issue additional Trust Notes Series 2017-A, equal in rank to the Trust Notes Series 2017-A in all respects so that the new Trust Notes Series 2017-A may be consolidated and form a single series with the Trust Notes Series 2017-A, and have the same terms as to status, redemption and otherwise as the Trust Notes Series 2017-A issued under this prospectus.

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Governing Law

The Indenture and the Trust Notes Series 2017-A will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

Book-Entry Only Form

Upon issuance, the Trust Notes Series 2017-A will be represented by one or more fully registered global securities (the "Global Securities") registered in the name of Cede & Co. (the nominee of The Depository Trust Company (the "Clearing Agency")), or such other name as may be requested by an authorized representative of the Clearing Agency. The authorized denominations of each Trust Note Series 2017-A will be U.S.\$1,000 and integral multiples thereof. Accordingly, the Trust Notes Series 2017-A may be transferred or exchanged only through the Clearing Agency and its participants. Except as described below, owners of beneficial interests in the Global Securities will not be entitled to receive the Trust Notes Series 2017-A in definitive form.

Beneficial interests in the Trust Notes Series 2017-A will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in the Clearing Agency. Holders of the Trust Notes Series 2017-A may elect to hold interests in the Trust Notes Series 2017-A in global form through either the Clearing Agency in the U.S. or Clearstream Banking, société anonyme ("Clearstream, Luxembourg"), or Euroclear Bank S.A./N.V. ("Euroclear"), if they are participants in those systems, or indirectly through organizations which are participants in those systems. Clearstream, Luxembourg and Euroclear will hold interests on behalf of their participants through customers' securities accounts in Clearstream, Luxembourg's and Euroclear's names on the books of their respective depositories, which in turn will hold such interests in customers' securities accounts in the depositories' names on the books of the Clearing Agency.

Each person owning a beneficial interest in a Global Security must rely on the procedures of the Clearing Agency and, if such person is not a participant, on the procedures of the participant through which such person owns its interest in order to exercise any rights of a holder under the Trust Indenture. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in certificated form. Such limits and such laws may impair the ability to transfer beneficial interests in a Global Security representing the Trust Notes Series 2017-A.

The following is based on information furnished by the Clearing Agency:

The Clearing Agency is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. The Clearing Agency holds securities that its participants ("Participants") deposit with the Clearing Agency. The Clearing Agency also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. These direct Participants ("Direct Participants") include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. The Clearing Agency is a wholly-owned subsidiary of the Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for the Clearing Agency, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the Clearing Agency's system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The rules applicable to the Clearing Agency and its Participants are on file with the SEC.

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Purchases of the Trust Notes Series 2017-A under the Clearing Agency's system must be made by or through Direct Participants, which will receive a credit for such Trust Notes Series 2017-A on the Clearing Agency's records. The ownership interest of each actual purchaser of each Trust Note Series 2017-A represented by a Global Security ("Beneficial Owner") is in turn to be recorded on the Direct Participants' and Indirect Participants' records. Beneficial Owners will not receive written confirmation from the Clearing Agency of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participants or Indirect Participants through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in a Global Security representing the Trust Notes Series 2017-A are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners of a Global Security representing the Trust Notes Series 2017-A will not receive the Trust Notes Series 2017-A in definitive form representing their ownership interests therein, except in the event that use of the book-entry system for such Trust Notes Series 2017-A is discontinued.

To facilitate subsequent transfers, the Global Securities representing the Trust Notes Series 2017-A which are deposited with the Clearing Agency are registered in the name of the Clearing Agency's nominee, Cede & Co., or such other name as may be requested by an authorized representative of the Clearing Agency. The deposit of Global Securities with the Clearing Agency and their registration in the name of Cede & Co. or such other nominee effect no change in beneficial ownership. The Clearing Agency has no knowledge of the actual Beneficial Owners of the Global Securities representing the Trust Notes Series 2017-A; the Clearing Agency's records reflect only the identity of the Direct Participants to whose accounts such Trust Notes Series 2017-A are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by the Clearing Agency to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither the Clearing Agency nor Cede & Co. (nor such other nominee of the Clearing Agency) will consent or vote with respect to the Global Securities representing the Trust Notes Series 2017-A. Under its usual procedures, the Clearing Agency mails an "omnibus proxy" to the Trust as soon as possible after the applicable record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Trust Notes Series 2017-A are credited on the applicable record date (identified in a listing attached to the omnibus proxy).

Principal, premium, if any, and interest payments on the Global Securities representing the Trust Notes Series 2017-A will be made to Cede & Co. (or such other nominee as may be requested by an authorized representative of the Clearing Agency). The Clearing Agency's practice is to credit Direct Participants' accounts, upon the Clearing Agency's receipt of funds and corresponding detailed information from the Trust or the Trustee, on the applicable payment date in accordance with their respective holdings shown on the Clearing Agency's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of the Clearing Agency, the applicable Trustee or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of the Clearing Agency) is the responsibility of the Trust or the applicable Trustee (provided it has received funds from the Trust), disbursement of such payments to Direct Participants shall be the responsibility of the Clearing Agency, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

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The Clearing Agency may discontinue providing its services as securities depository with respect to the Trust Notes Series 2017-A at any time by giving reasonable notice to us or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Trust Notes Series 2017-A in definitive form are required to be printed and delivered to each holder.

We may decide to discontinue use of the system of book-entry transfers through the Clearing Agency (or a successor securities depository). In that event, the Trust Notes Series 2017-A in definitive form will be printed and delivered.

Clearstream, Luxembourg advises that it is incorporated under the laws of Luxembourg as a professional depository. Clearstream, Luxembourg holds securities for its participating organizations ("Clearstream participants"), and facilitates the clearance and settlement of securities transactions between Clearstream participants through electronic book-entry changes in accounts of Clearstream participants, thereby eliminating the need for physical movement of certificates. Clearstream, Luxembourg provides to Clearstream participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg interfaces with domestic markets in several countries. As a professional depository, Clearstream, Luxembourg is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector (Commission de Surveillance du Secteur Financier). Clearstream participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations and may include the underwriters. Indirect access to Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream participant, either directly or indirectly.

Distributions with respect to interests in the Trust Notes Series 2017-A held beneficially through Clearstream, Luxembourg will be credited to cash accounts of Clearstream participants in accordance with its rules and procedures, to the extent received by the Clearing Agency for Clearstream, Luxembourg.

Euroclear advises that it was created in 1968 to hold securities for participants of Euroclear ("Euroclear participants"), and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V. ("Euroclear Operator"). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the underwriters. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (collectively, the "Terms and Conditions"). The Terms and Conditions govern transfers of securities and cash within the Euroclear System, withdrawals of securities and cash from the Euroclear System, and receipts of payment with respect to securities in the Euroclear System. All securities in the Euroclear System are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear participants, and has no records of or relationship with persons holding through Euroclear participants.

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Distributions with respect to the Trust Notes Series 2017-A held beneficially through the Euroclear System will be credited to the cash accounts of Euroclear participants in accordance with the Terms and Conditions, to the extent received by the U.S. depository for the Euroclear System.

The information in this section concerning the Clearing Agency and the Clearing Agency's book-entry system, Clearstream, Luxembourg and Euroclear has been obtained from sources that we believe to be reliable, but is subject to any changes to the arrangements between us and the Clearing Agency and any changes to such procedures that may be instituted unilaterally by the Clearing Agency, Clearstream, Luxembourg and Euroclear.

Transfers

Transfers of ownership of the Trust Notes Series 2017-A will be effected only through records maintained by the Clearing Agency for such Trust Notes Series 2017-A with respect to interests of Participants and on the records of Participants with respect to interests of persons other than Participants. Holders of the Trust Notes Series 2017-A who are not Participants, but who desire to purchase, sell or otherwise transfer ownership of or other interests in the Trust Notes Series 2017-A, may do so only through Participants. The ability of a holder to pledge Trust Notes Series 2017-A or otherwise take action with respect to such holder's interest in Trust Notes Series 2017-A (other than through a Participant) may be limited due to the lack of a physical certificate. See "Risk Factors Risks Related to the Trust Notes Series 2017-A Liquidity of and Dealings in Trust Notes Series 2017-A".

Payments and Deliveries

As long as the Clearing Agency is the registered owner of the Trust Notes Series 2017-A, the Clearing Agency will be considered the sole owner of the Trust Notes Series 2017-A for the purposes of receiving payments on the Trust Notes Series 2017-A or the delivery of TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares upon the occurrence of an Automatic Exchange or Deferral Event, as applicable. Payments of interest in respect of Trust Notes Series 2017-A will be made by the Trust to the Clearing Agency as the registered holder of the Trust Notes Series 2017-A and the Trust understands that such payments will be forwarded by the Clearing Agency to Participants in accordance with the Clearing Agency Procedures. Deliveries of TCPL Exchange Preferred Shares in respect of the exercise or operation of the Automatic Exchange or TCPL Deferral Preferred Shares in connection with a Deferral Event in the limited circumstances described under " Automatic Exchange" and " Deferral Right" will be made by TCPL or the Trust, as the case may be, to the Clearing Agency as the registered holder of the Trust Notes Series 2017-A and TCPL and the Trust understand that such shares will be forwarded by the Clearing Agency to Participants in accordance with the Clearing Agency Procedures. As long as the Trust Notes Series 2017-A are held in the Clearing Agency book-entry only system, the responsibility and liability of the Trustee and/or TCPL in respect of the Trust Notes Series 2017-A is limited to making payment of any amount due on the Trust Notes Series 2017-A and/or making delivery of TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares in respect thereof to the Clearing Agency.

The Voting Trust Units

Pursuant to the Declaration of Trust, the Trust may issue an unlimited number of Voting Trust Units. TCPL will at all times own, directly or indirectly, all of the Voting Trust Units. The following is a summary of the rights, privileges, restrictions and conditions attaching to the Voting Trust Units. This summary is qualified in its entirety by the provisions of the Declaration of Trust.

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Voting Rights

The Declaration of Trust provides that a holder of Voting Trust Units is entitled to vote in respect of, among other things: (i) the termination of the Trust as set forth under "Description of the Trust Securities Trust Notes Series 2017-A Rights on Termination of the Trust"; (ii) the removal and replacement of the Trustee; and (iii) the removal and replacement of the Administrative Agent.

Distributions

TCPL or affiliates of TCPL, as holders of the Voting Trust Units, shall be entitled to receive the net distributable funds on all assets of the Trust, if any, of the Trust remaining after discharge of the obligations of the Trust to creditors, including the holders of the Trust Notes Series 2017-A.

Redemption, Repurchase

The Trust, with the consent of the holder of the Voting Trust Units, may redeem all or part of the Voting Trust Units at any time but will not redeem all unless there are no Trust Notes Series 2017-A outstanding and held by any person other than TCPL or any of its affiliates. In addition, TCPL may require the Trust to repurchase at any time all, or from time to time part, of the Voting Trust Units but TCPL may not require the Trust to repurchase all of the Voting Trust Units unless there are no Trust Notes Series 2017-A outstanding and held by any person other than TCPL or any of its affiliates.

Rights on Termination of the Trust

In the event of a termination of the Trust, after the discharge of the obligations of the Trust to creditors, TCPL and/or its affiliates, as holders of the Voting Trust Units, will be entitled to the remaining property of the Trust.

**DESCRIPTION OF TCPL EXCHANGE PREFERRED SHARES
AND TCPL DEFERRAL PREFERRED SHARES**

The following is a summary of the rights, privileges, restrictions and conditions attaching to the TCPL Exchange Preferred Shares and the TCPL Deferral Preferred Shares (collectively, the "TCPL Exchange and Deferral Preferred Shares"). This summary is qualified in its entirety by the articles and by-laws of TCPL and the actual terms and conditions of the TCPL Exchange Preferred Shares and TCPL Deferral Preferred Shares, respectively.

Issue Price

The TCPL Exchange and Deferral Preferred Shares will have an issue price of U.S.\$1,000 per share.

Dividends

Holders of TCPL Exchange and Deferral Preferred Shares will be entitled to receive fixed cumulative preferential cash dividends, if, as and when declared by the Board of Directors, subject to the *Canada Business Corporations Act*, equal to the Perpetual Preferred Share Rate, payable on each quarterly dividend payment date, subject to applicable withholding tax. If the Board of Directors does not declare the dividends, or any part thereof, on the TCPL Exchange and Deferral Preferred Shares on or before the dividend payment date for a particular quarterly period, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the Board of Directors on which TCPL shall have sufficient monies properly available, under the provisions of applicable law and under the provisions of any trust indenture governing bonds, debentures or other securities of TCPL, for the payment of the same.

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Redemption of the TCPL Exchange Preferred Shares

The TCPL Exchange Preferred Shares will not be redeemable by TCPL on or prior to the date that is 10 years from the Closing Date. After that date, but subject to the provisions of the *Canada Business Corporations Act* and the provisions described below under " Restrictions on Dividends and Retirement of TCPL Exchange Preferred Shares", TCPL may redeem at any time all, or from time to time any part, of the outstanding TCPL Exchange Preferred Shares, without the consent of the holders, on not more than 60 days and not less than 30 days' prior notice, by the payment of an amount in cash for each such share so redeemed of U.S.\$1,000 per share together with an amount equal to all accrued and unpaid dividends thereon, subject to any applicable withholding tax.

Redemption of the TCPL Deferral Preferred Shares

Subject to the provisions of the *Canada Business Corporations Act* and the provisions described below under " Restrictions on Dividends and Retirement of TCPL Deferral Preferred Shares", TCPL may redeem at any time all, or from time to time any part, of the outstanding TCPL Deferral Preferred Shares, without the consent of the holders, on not more than 60 days and not less than 30 days' prior notice, by the payment of an amount in cash for each such share so redeemed of U.S.\$1,000 per share together with an amount equal to all accrued and unpaid dividends thereon, subject to any applicable withholding tax.

Presentation for Redemption or Sale

A redemption or sale to TCPL of TCPL Exchange Preferred Shares and/or TCPL Deferral Preferred Shares, as applicable, will be effected by the holder transferring such holder's TCPL Exchange Preferred Shares and/or TCPL Deferral Preferred Shares to be redeemed or sold, as the case may be, to the account of TCPL in the Clearing Agency (or, in the event that the TCPL Exchange Preferred Shares and/or TCPL Deferral Preferred Shares are not then issued in book-entry only form, by depositing with the transfer agent for the TCPL Exchange Preferred Shares and/or TCPL Deferral Preferred Shares, at one of its principal offices, certificates representing such TCPL Exchange Preferred Shares and/or TCPL Deferral Preferred Shares).

Purchase for Cancellation

On or after the date that is ten years after the Closing Date in the case of the TCPL Exchange Preferred Shares, and at any time after the date of issuance of such shares in the case of the TCPL Deferral Preferred Shares, but, in either case, subject to the provisions described below under " Restrictions on Dividends and Retirement of TCPL Exchange Preferred Shares" and " Restrictions on Dividends and Retirement of TCPL Deferral Preferred Shares", respectively, TCPL may, purchase for cancellation any TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares in the open market or by tender or private contract at any price, subject to any applicable withholding tax. Any such shares purchased by TCPL shall be cancelled and shall not be reissued.

Rights on Liquidation

In the event of the liquidation, dissolution or winding-up of TCPL, the holders of the TCPL Exchange and Deferral Preferred Shares shall be entitled to receive U.S.\$1,000 per share (less any amount that may have been returned to holders as a return of capital), together with all accrued and unpaid dividends thereon, subject to any applicable withholding tax, before any amount shall be paid or any assets of TCPL distributed to the holders of TCPL Common Shares or any shares ranking junior to the TCPL Exchange and Deferral Preferred Shares. The holders of the TCPL Exchange and Deferral Preferred Shares shall not be entitled to share in any further distribution of the property or assets of TCPL.

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Restrictions on Dividends and Retirement of TCPL Exchange Preferred Shares

So long as any of the TCPL Exchange Preferred Shares are outstanding, TCPL will not, without the approval of the holders of the TCPL Exchange Preferred Shares, given as specified below:

- (i) declare any dividend on the TCPL Common Shares or any other shares ranking junior to the TCPL Exchange Preferred Shares (other than stock dividends on shares ranking junior to the TCPL Exchange Preferred Shares); or
- (ii) redeem, purchase or otherwise retire any TCPL Common Shares or any other shares ranking junior to the TCPL Exchange Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares ranking junior to the TCPL Exchange Preferred Shares); or
- (iii) redeem, purchase or otherwise retire: (i) less than all the TCPL Exchange Preferred Shares; or (ii) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching to any series of preferred shares of TCPL, any other shares ranking on a parity with the TCPL Exchange Preferred Shares;

unless, in each case, all dividends on the TCPL Exchange Preferred Shares and on all other shares ranking prior to or on a parity with the TCPL Exchange Preferred Shares, have been declared and paid or set apart for payment.

Restrictions on Dividends and Retirement of TCPL Deferral Preferred Shares

So long as any of the TCPL Deferral Preferred Shares are outstanding, TCPL shall not, without the approval of the holders of the TCPL Deferral Preferred Shares:

- (i) declare any dividend on the TCPL Common Shares or any other shares ranking junior to the TCPL Deferral Preferred Shares (other than stock dividends on shares ranking junior to the TCPL Deferral Preferred Shares); or
- (ii) redeem, purchase or otherwise retire any TCPL Common Shares or any other shares ranking junior to the TCPL Deferral Preferred Shares (except out of the net cash proceeds of a substantially concurrent issue of shares ranking junior to the TCPL Deferral Preferred Shares).

In addition, so long as any of the TCPL Deferral Preferred Shares are outstanding TCPL shall not, without the approval of the holders of the TCPL Deferral Preferred Shares, redeem, repurchase or otherwise retire: (i) less than all of the TCPL Deferral Preferred Shares; or (ii) except pursuant to any purchase obligation, sinking fund, retraction privilege, or mandatory redemption provisions attaching to any series of preferred shares of TCPL, any other shares ranking *pari passu* with the TCPL Deferral Preferred Shares, unless, in each case, all dividends payable on the TCPL Deferral Preferred Shares, and on all other shares ranking prior to or *pari passu* with the TCPL Deferral Preferred Shares, have been declared and paid or set apart for payment.

Issue of Additional Series of TCPL Preferred Shares

TCPL may issue other series of TCPL Preferred Shares without the authorization of the holders of the TCPL Exchange and Deferral Preferred Shares, as applicable.

Shareholder Approvals

The approval of any amendments to the rights, privileges, restrictions and conditions attaching to the TCPL Exchange and Deferral Preferred Shares, respectively, may be given by a resolution carried by the affirmative vote of not less than 66²/₃% of the votes cast at a meeting of holders of TCPL

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Exchange Preferred Shares or TCPL Deferral Preferred Shares, as applicable, at which at least a majority of the outstanding TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares, as applicable, is represented or, if no quorum is present at such meeting, at a meeting following such adjourned meeting at which no quorum requirement would apply. Pursuant to the Share Exchange Agreement and the Assignment and Set-Off Agreement, TCPL will covenant that for so long as the Trust Notes Series 2017-A are outstanding no amendment will be made to the rights, privileges, restrictions and conditions of the TCPL Exchange Preferred Shares and the TCPL Deferral Preferred Shares, respectively, (other than any amendments relating to the TCPL Preferred Shares as a class) without the prior approval of the holders of the Trust Notes Series 2017-A by Extraordinary Resolution.

Voting Rights

The holders of the TCPL Exchange and Deferral Preferred Shares, as applicable, will not be entitled to receive notice of or to attend or to vote at any meeting of the shareholders of TCPL unless and until TCPL shall fail to pay in aggregate six quarterly dividends on the TCPL Exchange and Deferral Preferred Shares, as applicable, whether or not consecutive and whether or not dividends have been declared and whether or not there are any monies of TCPL properly applicable to the payment of dividends. In that event, the holders of the TCPL Exchange and Deferral Preferred Shares, as applicable, will be entitled to receive notice of, and to attend, all meetings of shareholders and will be entitled to one vote for each share held. The voting rights of the holders of the TCPL Exchange and Deferral Preferred Shares shall forthwith cease upon payment by TCPL of all arrears of dividends on any outstanding TCPL Exchange and Deferral Preferred Shares, as applicable, unless and until six quarterly dividends on the TCPL Exchange and Deferral Preferred Shares shall again be in arrears and unpaid.

Tax Election

The TCPL Exchange Preferred Shares and TCPL Deferral Preferred Shares will be "taxable preferred shares" as defined in the Tax Act for purposes of the tax under Part IV.1 of the Tax Act. The terms of the TCPL Exchange and Deferral Preferred Shares will require TCPL to make the necessary election under Part VI.1 of the Tax Act so that corporate holders will not be subject to the tax under Part IV.1 of the Tax Act on dividends received (or deemed to be received) on the TCPL Exchange and Deferral Preferred Shares.

Book-Entry Only Form

Unless TCPL elects otherwise, the TCPL Exchange Preferred Shares and TCPL Deferral Preferred Shares will be issued in "book-entry only" form and, subject to the limitations applicable to the TCPL Deferral Preferred Shares described under "Description of the Trust Securities Trust Notes Series 2017-A Deferral Right", may be purchased, held and transferred in substantially the same manner as the Trust Notes Series 2017-A. See "Description of the Trust Securities Trust Notes Series 2017-A Book-Entry Only Form".

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DESCRIPTION OF THE 2017 TCPL SUB NOTES

The following is a summary of the terms and conditions attaching to the 2017 TCPL Sub Notes. This summary is qualified in its entirety by the terms of the 2017 TCPL Sub Notes.

Interest and Maturity

Each 2017 TCPL Sub Note will be dated as of the Closing Date and will mature on _____, 2077. From the Closing Date to _____, 2027, TCPL will pay interest on the 2017 TCPL Sub Notes in equal semi-annual installments on _____ and _____ of each year to the persons in whose names the 2017 TCPL Sub Notes are registered at the close of business on the preceding _____ or _____, respectively. Notwithstanding the foregoing, assuming the 2017 TCPL Sub Notes are issued on _____, 2017, the first interest payment on the 2017 TCPL Sub Notes on _____, 2017 will be in the amount of U.S.\$ _____ per U.S.\$1,000 principal amount of 2017 TCPL Sub Notes. Starting on _____, 2027, TCPL will pay interest on the 2017 TCPL Sub Notes on every _____, _____ and _____ of each year during which the 2017 TCPL Sub Notes are outstanding thereafter until _____, 2077 to the persons in whose names the 2017 TCPL Sub Notes are registered at the close of business on the preceding _____, _____ or _____, respectively (each such semi-annual or quarterly date, as applicable, a "TCPL Sub Note Interest Payment Date").

From the Closing Date to, but excluding, _____, 2027, the interest rate on the 2017 TCPL Sub Notes will be fixed at _____ % per annum, payable in arrears. Starting on _____, 2027, and on every _____, _____, _____ and _____ of each year during which the 2017 TCPL Sub Notes are outstanding thereafter until _____, 2077 (each such date, a "TCPL Sub Notes Interest Reset Date"), the interest rate on the 2017 TCPL Sub Notes will be reset as follows: (i) starting on _____, 2027, on every TCPL Sub Notes Interest Reset Date, until _____, 2047, the interest rate on the 2017 TCPL Sub Notes will be reset at an interest rate per annum equal to the three month LIBOR plus _____ %, payable in arrears, with the first payment at such rate being on _____, 2027 and (ii) starting on _____, 2047, on every TCPL Sub Notes Interest Reset Date, until _____, 2077, the interest rate on the 2017 TCPL Sub Notes will be reset on each TCPL Sub Notes Interest Reset Date at an interest rate per annum equal to the three month LIBOR plus _____ %, payable in arrears, with the first payment at such rate being on _____, 2047.

In addition to the 2017 TCPL Sub Notes, the Trust may acquire other assets from time to time. To the extent required from time to time, the Trust will borrow the necessary amount from TCPL under the Credit Facility.

Redemption at the Option of TCPL

On or after _____, 2027 TCPL may, at its option, on giving not more than 60 nor less than 30 days' notice to the holder of the 2017 TCPL Sub Notes, redeem the 2017 TCPL Sub Notes, in whole at any time or in part from time to time. The redemption price per U.S.\$1,000 principal amount redeemed on any TCPL Sub Note Interest Reset Date will be par, together in either case with accrued and unpaid interest to but excluding the date fixed for redemption. The 2017 TCPL Sub Notes redeemed shall be cancelled and shall not be reissued.

If TCPL has redeemed the 2017 TCPL Sub Notes, in whole or in part, the Trust will be required to redeem a corresponding principal amount of the Trust Notes Series 2017-A. It is the intention of the Trust to use the proceeds of redemption received in respect of the 2017 TCPL Sub Notes to make payment to the holders of the Trust Notes Series 2017-A to be redeemed, as required.

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Notwithstanding the foregoing, in the event that the Trust elects to redeem the Trust Notes Series 2017-A as a result of a Rating Event or Tax Event, TCPL shall redeem a corresponding amount of 2017 TCPL Sub Notes, at a redemption price per \$1,000 principal amount of 2017 TCPL Sub Notes equal to par (in the case of a Tax Event) or par plus \$20 (in the case of a Rating Event), together with accrued and unpaid interest to, but excluding, the date fixed for redemption.

Redemption on Tax or Rating Event

TCPL may, at its option, on giving not more than 60 nor less than 30 days' notice to the holder of the 2017 TCPL Sub Notes, redeem all (but not less than all) of the 2017 TCPL Sub Notes upon the occurrence of a Rating Event or Tax Event. The redemption price per U.S.\$1,000 principal amount of the 2017 TCPL Sub Notes will be equal to par (in the case of a Tax Event) or par plus \$20 (in the case of a Rating Event), together with accrued and unpaid interest to but excluding the date fixed for redemption.

Events of Default

An event of default in respect of the 2017 TCPL Sub Notes will occur only if TCPL (i) resolves to wind-up or liquidate or is ordered wound-up or liquidated (other than in respect of certain transactions permitted under the TCPL Sub Note Trust Indenture similar to the transactions described under "Description of the Trust Securities Merger, Consolidation, Sale, Lease or Conveyance" above, or in the event of any other dissolution of TCPL, by operation of law) or (ii) makes a general assignment for the benefit of its creditors, or otherwise acknowledges its insolvency, becomes insolvent or is declared bankrupt or consents to the institution of bankruptcy or insolvency proceedings against it under any bankruptcy, insolvency or analogous laws or if a custodian, sequestrator, liquidator, receiver, receiver and manager or any other officer with similar powers is appointed of TCPL or of the property of TCPL or any part thereof which is, in the opinion of the trustee under the TCPL Sub Note Trust Indenture, a substantial part thereof.

The event of default provisions of the 2017 TCPL Sub Notes described herein are not likely to be relevant to holders of the Trust Notes Series 2017-A since the Automatic Exchange provisions of the Trust Notes Series 2017-A will result in the Trust Notes Series 2017-A being exchanged for the right to be issued TCPL Exchange Preferred Shares effective as of the Exchange Time. Failure by TCPL to make payments or to satisfy its other obligations under the 2017 TCPL Sub Notes will not entitle the Trust to accelerate the 2017 TCPL Sub Notes.

Priority of the 2017 TCPL Sub Notes

The 2017 TCPL Sub Notes are junior unsecured subordinated obligations of TCPL. The payment of principal and interest on the 2017 TCPL Sub Notes, to the extent provided in the Indenture, will be subordinated in right of payment to the prior payment in full of all present and future TCPL Senior Indebtedness, and will be effectively subordinated to all indebtedness and obligations of TCPL's subsidiaries. See "Risk Factors Risks Related to the Trust Notes Series 2017-A".

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Stikeman Elliott LLP, Canadian tax counsel to the Trust and TCPL, and Norton Rose Fulbright Canada LLP, counsel to the Underwriters, the following is a summary of the principal Canadian federal income tax considerations generally applicable to a holder of Trust Notes Series 2017-A who acquires Trust Notes Series 2017-A under the Offering and who, for purposes of the Tax Act and at all relevant times, (i) is not, and is not deemed to be, resident in Canada, (ii) deals at arm's length with and is not affiliated with TCPL or the Trust or any of their respective affiliates, (iii) deals at arm's length with any transferee resident (or deemed to be resident) in Canada to whom

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the holder disposes of a Trust Note Series 2017-A, (iv) is not a financial institution, (v) holds Trust Notes Series 2017-A and any TCPL Exchange and Deferral Preferred Shares as capital property, and (vi) does not use or hold the Trust Notes Series 2017-A and any TCPL Exchange and Deferral Preferred Shares in a business carried on in Canada (a "Non-Resident Holder"). Generally, Trust Notes Series 2017-A and TCPL Exchange and Deferral Preferred Shares will be considered to constitute capital property to a Non-Resident Holder provided that the Non-Resident Holder does not hold Trust Notes Series 2017-A or TCPL Exchange and Deferral Preferred Shares in the course of carrying on a business of buying and selling securities and has not acquired them in one or more transactions considered to be an adventure in the nature of trade. Special rules, which are not discussed in this summary, may apply to certain Non-Resident Holders that are (i) insurers carrying on an insurance business in Canada and elsewhere or (ii) an "authorized foreign bank" (as defined in the Tax Act).

This summary assumes that no interest paid on the Trust Notes Series 2017-A will be in respect of a debt or other obligation to pay an amount to a person with whom the Trust or TCPL does not deal at arm's length within the meaning of the Tax Act. This summary is based upon the current provisions of the Tax Act and the regulations issued thereunder in force as of the date hereof, and all specific proposals to amend the Tax Act and the regulations thereunder publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "Tax Proposals") and counsel's understanding of the administrative policies and assessing practices of the CRA published in writing by the CRA prior to the date hereof. This summary is not exhaustive of all Canadian federal income tax considerations and, except for the Tax Proposals, does not take into account or anticipate any changes in law or CRA administrative policies and assessing practices, whether by way of legislative, governmental or judicial decision or action, nor does it take into account or consider any other federal tax considerations or any provincial, territorial or foreign tax considerations, which may differ materially from those discussed herein. While this summary assumes that the Tax Proposals will be enacted in the form proposed, no assurance can be given that such proposals will be enacted in their current form, or at all.

Generally, for purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of Trust Notes Series 2017-A, TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares must be determined in Canadian dollars. Any such amount that is expressed or denominated in a currency other than Canadian dollars must be converted into Canadian dollars using the relevant exchange rate determined in accordance with the Tax Act on the relevant day or such other rate of exchange acceptable to the Minister of National Revenue (Canada).

This summary is of a general nature only and is not, and is not intended to be, and should not be construed to be, legal or tax advice to any particular Non-Resident Holder and no representation with respect to the income tax consequences to any particular Non-Resident Holder is made. Prospective purchasers of Trust Notes Series 2017-A should consult their own tax advisors with respect to the tax consequences of acquiring, holding and disposing of Trust Notes Series 2017-A.

Trust Notes Series 2017-A

Interest on and disposition of the Trust Notes Series 2017-A

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 Trust Notes Series 2017-A, including any interest that is applied on behalf of a Non-Resident Holder to acquire TCPL Deferral Preferred Shares upon a Deferral Event and any interest that is paid to the Non-Resident Holder by the issuance of rights to acquire TCPL Exchange Preferred Shares upon an Automatic Exchange, 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 Trust Notes

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Series 2017-A, 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 Trust Notes Series 2017-A.

Rights under Automatic Exchange and Deferral Event Subscription

TCPL and the Exchange Trustee have been advised by J.P. Morgan Securities LLC and Deutsche Bank Securities Inc., that the value to Non-Resident Holders of the rights granted to Non-Resident Holders on the Closing Date under each of the Automatic Exchange and the Deferral Event Subscription is nominal and, therefore, TCPL is of the view that no amount should be allocated to such rights. However, this determination is not binding on the CRA.

Deferral Event

A Non-Resident Holder may acquire TCPL Deferral Preferred Shares upon the occurrence of a Deferral Event. The cost to a Non-Resident Holder of the TCPL Deferral Preferred Share received will be equal to the amount of interest that is applied on behalf of such Non-Resident Holder to acquire such share.

Automatic Exchange

An exchange of Trust Notes Series 2017-A by a Non-Resident Holder for rights to acquire TCPL Exchange Preferred Shares pursuant to an Automatic Exchange will result in a disposition of such Trust Notes Series 2017-A for purposes of the Tax Act for proceeds equal to the fair market value of the TCPL Exchange Preferred Shares which the Non-Resident Holder has the right to acquire, not including any amount considered to be interest. A Non-Resident Holder will not generally be subject to tax under the Tax Act in respect of such disposition or the exercise of such rights to acquire TCPL Exchange Preferred Shares. The aggregate cost to a Non-Resident Holder of the TCPL Exchange Preferred Shares ultimately received on an Automatic Exchange will be equal to the fair market value thereof at the time received.

TCPL Exchange and Deferral Preferred Shares

Dividends

A dividend (including a deemed dividend) received on TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares by 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 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% or such other applicable rate pursuant to the income tax treaty.

Dispositions

A Non-Resident Holder of TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares who disposes of or is deemed to dispose of TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares (other than as discussed under "*Redemption or Other Acquisition by TCPL*") will not be subject to tax in respect of any capital gain realized on a disposition of TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares unless the TCPL Exchange Preferred Shares or TCPL Deferral 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 TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares will be considered taxable Canadian property if such shares are not

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listed on a designated stock exchange and, at any time during the 60-month period immediately preceding the disposition, the TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares derived (directly or indirectly) more than 50% of their fair market value from real or immovable property situated in Canada, Canadian resource properties, timber resource properties or options or interests in respect of any such property, all as defined for the purposes of the Tax Act.

If the TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares are considered taxable Canadian property to the Non-Resident Holder, a disposition or deemed disposition of such TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares (other than as discussed under "*Redemption or Other Acquisition by TCPL*") will generally give rise to a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of such TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares to the Non-Resident Holder. Generally, one half of any such capital gain must be included in 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.

An applicable income tax treaty or convention may apply to exempt a Non-Resident Holder from tax under the Tax Act in respect of a disposition of TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares, as the case may be, notwithstanding that such shares may constitute taxable Canadian property.

Redemption or Other Acquisition by TCPL

If TCPL redeems for cash or otherwise acquires the TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares, other than by a purchase in the manner in which 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 TCPL in excess of the paid-up capital of such 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 shares. In the case of a corporate shareholder, 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.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a general discussion of the material U.S. federal income tax considerations relating to the purchase, ownership and disposition of the Trust Notes Series 2017-A. Except where noted, this discussion only applies to Trust Notes Series 2017-A that are held as capital assets by holders who purchase the Trust Notes Series 2017-A upon their original issuance at their initial offering price. This discussion does not describe all of the material tax considerations that may be relevant to holders in light of their particular circumstances or to holders subject to special rules, such as certain financial institutions, insurance companies, tax-exempt entities, certain former citizens or residents of the United States, dealers and certain traders in securities, persons holding the Trust Notes Series 2017-A as part of a hedge, straddle or other integrated transaction or persons whose functional currency is not the U.S. dollar. In addition, this discussion does not address the effect of any state, local, foreign or other tax laws or any U.S. federal estate, gift or alternative minimum tax considerations. This discussion is based on the Internal Revenue Code of 1986, as amended (the "Code"), administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations, all as in effect on the date hereof, and all of which are subject to change or differing interpretations, possibly with retroactive effect, so as to result in U.S. federal income tax consequences different from those discussed below.

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As used in this prospectus, the term "U.S. Holder" means a beneficial owner of Trust Notes Series 2017-A that is for U.S. federal income tax purposes:

an individual citizen or resident of the United States;

a corporation (or other entity taxable as a corporation) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;

an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

a trust with respect to which (i) a court within the United States is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all of its substantial decisions, or (ii) a valid election is in effect under applicable Treasury regulations to be treated as a U.S. person.

The term "Non-U.S. Holder" means a beneficial owner of Trust Notes Series 2017-A that is not a U.S. Holder or a partnership (or other entity treated as a partnership for U.S. federal income tax purposes).

If a partnership (or other entity treated as a partnership for U.S. federal income tax purposes) holds Trust Notes Series 2017-A, the tax treatment of the partnership and its partners will generally depend on the status of the partner and the activities of the partnership and its partners. If you are a partner in a partnership (or other entity that is treated as a partnership for U.S. federal income tax purposes), you should consult your own tax advisors regarding the U.S. federal income tax considerations of the purchase, ownership and disposition of Trust Notes Series 2017-A.

Persons considering the purchase of Trust Notes Series 2017-A should consult their own tax advisors regarding the U.S. federal income tax considerations relating to the purchase, ownership and disposition of Trust Notes Series 2017-A in light of their particular circumstances, as well as the effect of any state, local, foreign or other tax laws.

Trust Notes Series 2017-A

Characterization of the Notes

The characterization of instruments such as the Notes as debt or equity is based on a variety of factors, none of which are determinative. While the Company believes that the Notes should be treated as debt and intends to take that position, there is no certainty that the IRS or a court will agree with that position. If the Notes were treated as equity then the holders would be treated as owning an interest in the Trust. Because the Trust will be a pass-through for U.S. federal income tax purposes the holders would be allocated income from the property owned by the Trust in lieu of the treatment described below. Thus, the holders would recognize dividend income to the extent that the Trust receives dividends. The treatment of such dividend income is discussed below.

Interest on the Trust Notes Series 2017-A

Under applicable Treasury regulations, the possibility that interest on the Trust Notes Series 2017-A might be deferred could result in the Trust Notes Series 2017-A being treated as issued with original issue discount ("OID"), notwithstanding that the Trust Notes Series 2017-A are issued at par, unless the likelihood of such deferral is remote. We believe that the likelihood of interest deferral on the Trust Notes Series 2017-A is remote within the meaning of the Treasury regulations and therefore that the possibility of such deferral will not result in the Trust Notes Series 2017-A being treated as issued with OID. Based on the foregoing, we believe that, although the matter is not free from doubt, the Trust Notes Series 2017-A will not be considered to be issued with OID. Accordingly, interest paid on the Trust Notes Series 2017-A will be taxable to a U.S. Holder as

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ordinary interest income at the time it accrues or is received in accordance with such U.S. Holder's method of accounting for U.S. federal income tax purposes. Interest on Trust Notes Series 2017-A will be treated as arising from foreign sources for foreign tax credit purposes. The rules relating to foreign tax credits and the timing thereof are complex. U.S. Holders should consult their own tax advisers regarding the availability of a foreign tax credit and the application of the foreign tax credit limitations to their particular circumstances.

However, there can be no assurance that the IRS or a court will agree with this position. If the possibility of interest deferral were determined not to be remote, the Trust Notes Series 2017-A would be treated as issued with OID at the time of issuance and all stated interest would be treated as OID. In such case, a U.S. Holder would be required to include stated interest in income as it accrues, regardless of its method of accounting, using a constant yield method, and actual cash payments of interest on the Trust Notes Series 2017-A would not be reported as taxable income.

Further, during any deferral period, the Trust Notes Series 2017-A will be treated as issued with OID at the time of such deferral and all stated interest due after such deferral will be treated as OID. Consequently, a U.S. Holder of Trust Notes Series 2017-A would be required to include OID in its gross income in the manner described above even though the Trust would not make any actual cash payments to holders of Trust Notes Series 2017-A during a deferral period.

Dispositions

Upon the sale, exchange, redemption or retirement of a note, a U.S. Holder will generally recognize gain or loss equal to the difference between the amount realized (less any accrued interest not previously included in the U.S. Holder's income, which will be taxable as ordinary income) on the sale, exchange, redemption or retirement and such U.S. Holder's adjusted tax basis in the note. Assuming that we do not exercise our option to require deferral of payment of interest on the Trust Notes Series 2017-A and that a Deferral Event does not otherwise occur and that the Trust Notes Series 2017-A are not deemed to be issued with OID, a U.S. Holder's adjusted tax basis in the Trust Notes Series 2017-A generally will be its initial purchase price. If the Trust Notes Series 2017-A are deemed to be issued with OID, a U.S. Holder's tax basis in the Trust Notes Series 2017-A generally will be its initial purchase price, increased by OID previously includible in that U.S. Holder's gross income to the date of disposition and decreased by payments received on the Trust Notes Series 2017-A since and including the date that the Trust Notes Series 2017-A were deemed to be issued with OID. That gain or loss generally will be capital gain or loss and generally will be long-term capital gain or loss if the Trust Notes Series 2017-A have been held for more than one year. A U.S. Holder that is an individual is generally entitled to preferential treatment for net long-term capital gains. The ability of a U.S. Holder to deduct capital losses is limited. Gain or loss recognized by a U.S. Holder on a sale or other disposition of Trust Notes Series 2017-A generally will be U.S. source gain or loss for foreign tax credit purposes.

Automatic Exchange

The exchange of Trust Notes Series 2017-A for TCPL Exchange Shares pursuant to the Automatic Exchange should be treated as a tax free recapitalization for U.S. federal income tax purposes. Thus, no income, gain or loss will be recognized on the exchange except to the extent that there is accrued but unpaid interest at the time of the exchange. Any TCPL Exchange Shares will be treated as first being received for the accrued but unpaid interest and the remainder will be treated as received in exchange for the Trust Notes Series 2017-A. The holding period for the TCPL Exchange Shares received in the exchange will include the holding period for the Trust Notes Series 2017-A.

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Deferral Note Subscription

The acquisition of Deferral Preferred Shares upon the occurrence of a Deferral Event will be treated as a purchase of the Deferral Preferred Shares for an amount equal to the interest income that was deferred with respect to such Deferral Event.

TCPL Exchange and Deferral Preferred Shares

Dividends

U.S. Holders of TCPL Exchange and Deferral Preferred Shares will include in gross income the gross amount of any distributions paid, before reduction for Canadian withholding taxes, by TCPL out of its current or accumulated earnings and profits, as determined for U.S. federal income tax purposes, as dividend income when the dividend is actually or constructively received by the U.S. Holder. Distributions in excess of current and accumulated earnings and profits, as determined for U.S. federal income tax purposes, will be treated as a return of capital to the extent of the U.S. Holder's basis in its TCPL Exchange and Deferral Preferred Shares and thereafter as capital gain.

Currently, dividends paid by a "qualified foreign corporation" to individual U.S. Holders who also meet certain holding period requirements will be taxable at a maximum tax rate of 20%. TCPL expects that it will constitute a qualified foreign corporation for U.S. federal income tax purposes and that distributions it makes to individual U.S. Holders that are treated as dividends for U.S. federal income tax purposes will be treated as qualified dividend income eligible for such reduced maximum rates, provided the applicable holding period requirements are met. If distributions by TCPL do not qualify for this reduced maximum rate, U.S. Holders will be subject to tax on such distributions at ordinary income rates.

Distributions by TCPL that are treated as dividends for U.S. federal income tax purposes generally will not be eligible for the dividends-received deduction generally allowed to U.S. corporations in respect of dividends received from certain other corporations. The amount of such distributions included in income of a U.S. Holder of TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares will be the U.S. dollar value of the Canadian dollar payments made, determined at the spot Canadian dollar/U.S. dollar exchange rate on the date such distribution is included in the income of the U.S. Holder, regardless of whether the payment is in fact converted into U.S. dollars. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date such a distribution is included in income to the date such distribution is converted into U.S. dollars will be treated as ordinary income or loss and will not be eligible for the special tax rate applicable to qualified dividend income. Such gain or loss will generally be income from sources within the U.S. for foreign tax credit limitation purposes.

Distributions by TCPL that are treated as dividends for U.S. federal income tax purposes will be income from sources outside the U.S. for foreign tax credit limitation purposes. Depending on the U.S. Holder's circumstances, such dividends may be "passive category" or "general category" income for foreign tax credit limitation purposes. Subject to certain limitations, Canadian tax withheld with respect to distributions by TCPL to a U.S. Holder of TCPL Deferral Preferred Shares and paid over to Canada will generally be creditable against the U.S. Holder's U.S. federal income tax liability. As discussed above, withholding of Canadian tax is imposed at a 25% rate (reduced to 15% for recipients that are residents of the U.S. eligible for benefits under the Canada-United States Tax Convention) both on cash and non-cash distributions by TCPL to persons that are not Canadian residents. However, as any non-cash distributions by TCPL generally will not be included in income for U.S. federal income tax purposes, such Canadian tax withholding may exceed a U.S. Holder's allowable foreign tax credit for the taxable year of the distribution. To the extent a refund of the tax withheld is available to a U.S. Holder under the laws of Canada or under the income tax treaty between the U.S. and Canada, the amount of tax withheld that is refundable will not be eligible for credit against the U.S. Holder's

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U.S. federal income tax liability, whether or not the refund is actually obtained. The foreign tax credit limitation rules are complex and dependent on the specific factual circumstances particular to each U.S. Holder of TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares. Consequently, each U.S. Holder of TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares should consult its tax advisor as to the U.S. federal income tax consequences relevant to such U.S. Holder.

Dispositions

A U.S. Holder of TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares that sells or otherwise disposes of TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares, as applicable, generally will recognize capital gain or loss for U.S. federal income tax purposes equal to the difference between the U.S. dollar value of the amount realized and the holder's tax basis, determined in U.S. dollars, in the TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares. Any capital gain or loss generally will be long-term capital gain or loss if the U.S. Holder had a holding period for the TCPL Deferral Preferred Shares of more than one year at the time of the sale or other disposition. Long-term capital gain recognized by an individual generally is subject to a maximum U.S. federal income tax rate of 20%. Other capital gains generally are subject to a maximum U.S. federal income tax rate of 39.6%. The deductibility of capital losses is subject to limitations. Gain realized by a U.S. Holder from a sale or other disposition of TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares will generally be treated as income from U.S. sources for foreign tax credit limitation purposes.

Redemption or Other Acquisition by TCPL

A redemption of TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares will be treated under section 302 of the Code as a dividend to the extent of current and accumulated earnings and profits, unless the redemption satisfies the test set forth in section 302(b) enabling the redemption to be treated as a sale or exchange. The redemption will satisfy this test only if it (1) is "substantially disproportionate," (2) constitutes a "complete termination of the holder's stock interest" in TCPL or (3) is "not essentially equivalent to a dividend," each within the meaning of section 302(b). In determining whether any of these tests are met, shares considered to be owned by the U.S. Person by reason of certain constructive ownership rules set forth in the Code, as well as shares actually owned, must generally be taken into account. Because the determination as to whether any of the alternative tests of section 302(b) of the Code is satisfied with respect to a particular holder of TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares will depend on the facts and circumstances as of the time the determination is made, U.S. Holders are advised to consult their own tax advisors to determine their tax treatment in light of their own particular investment circumstances.

Medicare Tax

Recently enacted legislation generally imposes a tax of 3.8% on the "net investment income" of certain individuals, trusts and estates. Among other items, net investment income generally includes gross income from interest and dividend as well as net gain attributable to the disposition of certain property, less certain deductions. U.S. Holders should consult their own tax advisors regarding the possible implications of this legislation in their particular circumstances.

Reporting and Backup Withholding

A U.S. Holder that is an exempt recipient will not be subject to information reporting requirements with respect to payments of principal or interest on, and proceeds from the sale, retirement or other taxable disposition of, Trust Notes Series 2017-A or dividends received with respect to the TCPL Exchange Preferred Shares or TCPL Deferral Preferred Shares or proceeds from the disposition of those shares. A U.S. Holder that is not an exempt recipient may be subject to

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information reporting requirements. Such U.S. Holder can satisfy this requirement by providing the issuer or its paying agent with a duly completed and executed copy of an IRS Form W-9 or a substantially similar form. In general, individuals are not exempt recipients, whereas corporations and certain other entities generally are exempt recipients. If a U.S. Holder subject to the information reporting requirement fails to provide the Trust or its paying agent with a duly completed and executed copy of an IRS Form W-9 or a substantially similar form, or the information on such form, including the U.S. Holder's U.S. taxpayer identification number, is incorrect, or the IRS notifies the Trust or its paying agent that the U.S. Holder has failed to report or under-reported payments of interest or dividends, the Trust or its paying agent will be required to withhold a portion of certain payments it makes to the U.S. Holder and pay to the IRS as a backup against the U.S. Holder's potential U.S. federal income tax liability. Backup withholding is not an additional tax and will be credited against the U.S. Holder's U.S. federal income tax liability or refunded to the U.S. Holder, provided that the holder timely files a tax return with the IRS. Prospective purchasers should consult their own tax advisers regarding the applicability of the information reporting and backup withholding rules to them.

The above summary is not intended to constitute a complete analysis of all U.S. income tax consequences relating to U.S. Holders of their acquisition, ownership and disposition of the Trust Notes Series 2017-A. U.S. Holders should consult their own tax advisers concerning the tax consequences to them of the acquisition, ownership and disposition of the Trust Notes Series 2017-A in light of their particular circumstances under the U.S. federal, state, local, foreign and other laws.

CERTAIN ERISA MATTERS

Subject to the restrictions described below, the Trust Notes Series 2017-A may be held by (i) plans that are subject to the fiduciary responsibility provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") or the provisions of Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code") and entities deemed to hold plan assets of the foregoing, such plans and entities referred to herein as "Plans," and (ii) plans that are subject to provisions under federal, state or other laws, referred to as "Similar Law," that are substantially similar to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of ERISA and/or Section 4975 of the Code, such plans referred to herein as "Similar Law Plans." A fiduciary of any Plan or Similar Law Plan must determine that the purchase and holding of the Trust Notes Series 2017-A or an interest therein is consistent with its fiduciary duties and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or a violation under any applicable Similar Law. Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of Plans (as well as those plans that are not subject to ERISA but which are subject to Section 4975 of the Code) and certain persons (referred to as "parties in interest" or "disqualified persons") having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the transaction. There can be no assurance that any administrative or statutory exemption will be available with respect to any particular transaction involving the Trust Notes Series 2017-A. A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and Section 4975 of the Code.

Under a regulation issued by the U.S. Department of Labor, 29 CFR Section 2510.3-101 (as effectively modified by Section 3(42) of ERISA) (the "Regulation"), the assets of the Trust would be treated as plan assets of a Plan for the purposes of ERISA and the Code only if the Plan acquired an "equity interest" in the Trust and none of the exceptions to "plan assets" contained in the Regulation was applicable. An equity interest is defined under the Regulation as an interest other than an instrument which is treated as indebtedness under applicable local law and which has no substantial equity features. Although there is little guidance on the subject, the Company believes that, at the time

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of their issuance, the Trust Notes Series 2017-A should be treated as indebtedness of the Trust without substantial equity features for purposes of the Regulation, but there is no certainty that the U.S. Department of Labor or a court would agree with that position. This determination is based upon the traditional debt features of the Trust Notes Series 2017-A, including the reasonable expectation of purchasers of the Trust Notes Series 2017-A that the notes will be repaid when due. The debt treatment of the Trust Notes Series 2017-A for ERISA purposes could change subsequent to their issuance if the Trust incurs losses. In the event of a withdrawal or downgrade to below investment grade of the rating of the Trust Notes Series 2017-A or a characterization of the Trust Notes Series 2017-A as other than indebtedness under applicable local law, the subsequent acquisition of the Trust Notes Series 2017-A or interest therein by a Plan is prohibited.

However, without regard to whether the Trust Notes Series 2017-A are treated as an equity interest in the Trust for purposes of the Regulation, unless a statutory or administrative exemption is applicable, the purchase and, in certain cases, the holding of securities by a Plan with respect to which (i) we or any of our affiliates or (ii) any underwriter, dealer or agent selling the securities or any of their affiliates is a "party in interest" or "disqualified person" could constitute a prohibited transaction. Accordingly, each purchaser and subsequent transferee of the Trust Notes Series 2017-A or any interest therein will be deemed to have represented by its purchase and holding thereof that either (i) it is not, and is not acting on behalf of, any Plan or Similar Law Plan or (ii) its purchase, holding, redemption or exchange of the Trust Notes Series 2017-A or any interest therein will not constitute or result in a nonexempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code because such purchaser or holder relied on an available prohibited transaction exemption, all of the conditions of which are satisfied, or is not in violation of any applicable Similar Law. Neither Plans nor Similar Law Plans may acquire the Notes at any time that the ratings on the Trust Notes Series 2017-A are below investment grade or the Trust Notes Series 2017-A have been characterized as other than indebtedness for applicable local law purposes.

The sale of any securities to a Plan or Similar Law Plan is in no respect a representation by us, or by any underwriter, dealer or agent selling the securities, that such an investment meets all of the legal requirements with respect to investments by any particular Plan or Similar Law Plan or that such an investment is appropriate for any particular Plan or Similar Law Plan.

UNDERWRITING

Subject to the terms and conditions of an underwriting agreement (the "Underwriting Agreement") dated _____, 2017 between the Trust, TCPL and the Underwriters named below (collectively, the "Underwriters"), through their representatives Deutsche Bank Securities Inc. and J.P. Morgan Securities LLC, the Trust has agreed to sell and the Underwriters have severally agreed to purchase from the Trust, the following respective principal amounts of Trust Notes Series 2017-A listed opposite their names below:

Underwriters	Principal Amount of Trust Notes Series 2017-A
Deutsche Bank Securities Inc.	U.S.\$
J.P. Morgan Securities LLC.	U.S.\$
Total	U.S.\$

The terms of the offering were established through negotiations between the Trust, TCPL and the Underwriters.

The Underwriting Agreement provides that the obligations of the several Underwriters to purchase the Trust Notes Series 2017-A offered hereby are subject to certain conditions precedent and that

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the Underwriters will purchase all of the Trust Notes Series 2017-A offered by this prospectus if any of the Trust Notes Series 2017-A are purchased.

The obligations of the Underwriters under the Underwriting Agreement may be terminated at their discretion, subject to certain conditions, following a suspension of trading on certain stock exchanges, a banking moratorium, an outbreak or escalation of hostilities or a declaration by the U.S. or Canada of a national emergency or war, or other calamity or crisis affecting financial markets such as to make it, in the sole judgment of the representatives of the Underwriters impractical or inadvisable to proceed with the offering or delivery of the Trust Notes Series 2017-A as contemplated by this prospectus, and upon the occurrence of certain stated events.

The Trust and TCPL have been advised by the representatives of the Underwriters that the Underwriters propose to offer the Trust Notes Series 2017-A to the public at the public offering price set forth on the cover page of this prospectus and to dealers at a price that represents a concession not in excess of % of the principal amount of the Trust Notes Series 2017-A. The Underwriters may allow, and these dealers may re-allow, a concession of not more than % of the principal amount of the Trust Notes Series 2017-A to other dealers. After the initial public offering the representatives of the Underwriters may change the offering prices and other selling terms. Thus, the prices paid for Trust Notes Series 2017-A may vary from purchaser to purchaser and may vary during the period of distribution. The compensation realized by the Underwriters will be either increased or decreased by the amount that the aggregate price paid by purchasers of the Trust Notes Series 2017-A differs from the gross proceeds paid to the Trust by the Underwriters.

We estimate the Trust's share of the total expenses of this offering, excluding underwriting commissions, will be approximately U.S.\$.

The Trust and TCPL have agreed to indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act, and to contribute to payments the Underwriters may be required to make in respect of any of these liabilities.

The representatives of the Underwriters have advised the Trust and TCPL that the Underwriters do not intend to confirm sales to any account over which they exercise discretionary authority.

The Trust Notes Series 2017-A are a new issue of securities with no established trading market. The Trust Notes Series 2017-A will not be listed on any securities exchange or on any automated dealer quotation system. The Underwriters may make a market in the Trust Notes Series 2017-A after completion of the Offering, but will not be 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 Trust Notes Series 2017-A or that an active public market for the Trust Notes Series 2017-A will develop. If an active public trading market for the Trust Notes Series 2017-A does not develop, the market price and liquidity of such Trust Notes Series 2017-A may be adversely affected.

In connection with the Offering, the Underwriters may purchase and sell the Trust Notes Series 2017-A in the open market. These transactions may include short sales, purchases to cover positions created by short sales and stabilizing transactions.

Short sales involve the sale by the Underwriters of a greater principal amount of Trust Notes Series 2017-A than they are required to purchase in the Offering. The Underwriters may close out any short position by purchasing Trust Notes Series 2017-A in the open market. A short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the Trust Notes Series 2017-A in the open market prior to the completion of the Offering.

Stabilizing transactions consist of various bids for or purchases of the Trust Notes Series 2017-A made by the Underwriters in the open market prior to the completion of the Offering.

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The Underwriters may impose a penalty bid. This occurs when a particular underwriter repays to the other Underwriters a portion of the underwriting commission received by it because the representatives of the Underwriters have repurchased Trust Notes Series 2017-A sold by or for the account of that Underwriter in stabilizing or short covering transactions.

Purchases to cover short positions and stabilizing transactions may have the effect of preventing or slowing a decline in the market price of the Trust Notes Series 2017-A. Additionally, these purchases, along with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of the Trust Notes Series 2017-A.

As a result, the price of the Trust Notes Series 2017-A may be higher than the price that might otherwise exist in the open market. These transactions may be effected in the over-the-counter market or otherwise.

Certain of the Underwriters and their respective affiliates have, from time to time, performed, and in the future may perform, commercial and investment banking and advisory services for us for which they have received or will receive customary fees and expenses. The Underwriters may, from time to time, engage in transactions with and perform services for us in the ordinary course of their business.

Under applicable securities legislation in the Province of Alberta and Ontario, TCPL may be considered to be a connected issuer of Deutsche Bank Securities Inc. and J.P. Morgan Securities LLC each of which is, directly or indirectly, a subsidiary or affiliate of a bank or other financial institution which is a lender (collectively, the "Lenders") to TCPL or its affiliates under certain unsecured credit facilities (collectively, the "Facilities"). The Facilities consist of the following committed syndicated facilities: our TCPL and TransCanada PipeLine USA Ltd. ("TC USA Ltd.") U.S.\$6.9 billion bridge credit agreement ("Acquisition Credit Facilities"); our TCPL \$3.0 billion amended and restated credit agreement; our TCPL U.S.\$2.0 billion credit agreement; TC USA Ltd. U.S.\$1.0 billion credit agreement; a TransCanada American Investments Ltd. U.S.\$500 million credit agreement; a TC PipeLines, LP U.S.\$500 million third amended and restated revolving credit agreement; a TC PipeLines, LP U.S.\$500 million term loan agreement and a Northern Border Pipeline Company U.S.\$200 million revolving amended and restated credit agreement, each as amended; and also consist of certain other demand bank facilities with aggregate commitments of approximately U.S.\$100 million. As of February 14, 2017, we had approximately \$4.0 billion outstanding under the Facilities. As of the date hereof, TCPL and its affiliates are in material compliance with all material terms of the agreements governing the Facilities and none of the Lenders has waived any material breach by TCPL or its affiliates of those agreements since the Facilities were established. TCPL's financial position on a consolidated basis has not changed substantially and adversely since the indebtedness under the Facilities was incurred. None of the Lenders has been or will be involved in the decision to offer the Trust Notes Series 2017-A and none has been or will be involved in the determination of the terms of any distribution of the Trust Notes Series 2017-A.

As a consequence of their participation in the offering, the Underwriters will be entitled to share in the underwriting commissions relating to the offering of the Trust Notes Series 2017-A. The decision to distribute the Trust Notes Series 2017-A hereunder and the determination of the terms of this Offering were made through negotiations between the Trust, TCPL and the Underwriters. TCPL may have outstanding short term indebtedness owing to certain of the Underwriters and affiliates of such Underwriters, a portion of which TCPL may repay with the net proceeds from the sale of the 2017 TCPL Sub Notes. See "Use of Proceeds". As a result, one or more of such Underwriters or their affiliates may receive more than 5% of the net proceeds from the offering of the Trust Notes Series 2017-A in the form of the repayment of such indebtedness. Accordingly, the offering of the Trust Notes Series 2017-A is being made pursuant to Rule 5121 of the Financial Industry Regulatory Authority, Inc. Pursuant to this rule, the appointment of a qualified independent underwriter is not necessary in connection with this offering, because the conditions of Rule 5121(a)(1)(C) are satisfied.

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Notice to Prospective Investors in the European Economic Area

In relation to each member state of the European Economic Area that has implemented the Prospectus Directive (each, a "relevant member state"), with effect from and including the date on which the Prospectus Directive is implemented in that relevant member state (the "relevant implementation date"), an offer of the Trust Notes Series 2017-A described in this prospectus may not be made to the public in that relevant member state prior to the publication of a prospectus in relation to the Trust Notes Series 2017-A that has been approved by the competent authority in that relevant member state and published in accordance with the Prospectus Directive as implemented in the relevant member state or, where appropriate, approved in another relevant member state and notified to the competent authority in that relevant member state, all in accordance with the Prospectus Directive, except that, with effect from and including the relevant implementation date, an offer of Trust Notes Series 2017-A may be made to the public in that relevant member state at any time:

to any legal entity which is a qualified investor as defined in the Prospectus Directive;

to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant underwriter; or

in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Trust Notes Series 2017-A will result in the requirement of the publication by us or any underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive or a supplement to a prospectus pursuant to Article 16 of the Prospectus Directive.

Each purchaser of Trust Notes Series 2017-A described in this prospectus located within a relevant member state will be deemed to have represented, acknowledged and agreed that it is a "qualified investor" within the meaning of Article 2(1)(e) of the Prospectus Directive.

For purposes of this notice, the expression an "offer to the public" in any relevant member state means the communication in any form and by any means of sufficient information on the terms of the offer and the Trust Notes Series 2017-A to be offered so as to enable an investor to decide to purchase or subscribe for the Trust Notes Series 2017-A, as the expression may be varied in that member state by any measure implementing the Prospectus Directive in that member state, and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the relevant member state) and includes any relevant implementing measure in each relevant member state and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

The sellers of the Trust Notes Series 2017-A have not authorized and do not authorize the making of any offer of the Trust Notes Series 2017-A through any financial intermediary on their behalf, other than offers made by the underwriters with a view to the final placement of the Trust Notes Series 2017-A as contemplated in this prospectus.

Accordingly, no purchaser of the Trust Notes Series 2017-A, other than the underwriters, is authorized to make any further offer of the Trust Notes Series 2017-A on behalf of the sellers or the underwriters.

Notice to Prospective Investors in the United Kingdom

This prospectus and any other material in relation to the Trust Notes Series 2017-A described herein are only being distributed to, and are only directed at, persons in the United Kingdom that are qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive (and amendments thereto) and Section 86(7) of the Financial Services and Markets Act 2000 (United Kingdom), as amended (the "FSMA") that are also (i) investment professionals falling within Article 19(5) of the

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Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") or (ii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). The Trust Notes Series 2017-A are only available to, and any invitation, offer or agreement to purchase or otherwise acquire such Trust Notes Series 2017-A will be engaged only with, relevant persons.

This prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this document or any of its contents.

No invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA in connection with the issue or sale of the Trust Notes Series 2017-A may be communicated or caused to be communicated except in circumstances in which Section 21(1) of the FSMA does not apply to us or the underwriters. In addition, all applicable provisions of the FSMA must be complied with in relation to anything done to the Trust Notes Series 2017-A in, from or otherwise involving the United Kingdom.

Notice to Prospective Investors in Switzerland

This prospectus is not intended to constitute an offer or solicitation to purchase or invest in the Trust Notes Series 2017-A. The Trust Notes Series 2017-A may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this prospectus nor any other offering or marketing material relating to the Trust Notes Series 2017-A constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland, and neither this prospectus nor any other offering or marketing material relating to the Trust Notes Series 2017-A may be publicly distributed or otherwise made publicly available in Switzerland. Neither this prospectus nor any other offering or marketing material relating to the offering, nor the Trust, nor the Trust Notes Series 2017-A have been or will be filed with or approved by any Swiss regulatory authority. The Trust Notes Series 2017-A are not subject to the supervision by any Swiss regulatory authority, e.g., the Swiss Financial Markets Supervisory Authority (FINMA), and investors in the Trust Notes Series 2017-A will not benefit from protection or supervision by such authority.

MATERIAL CONTRACTS

The material contracts entered into or to be entered into by the Trust and/or TCPL and/or TCC are as follows:

1. the Trust Indenture described under "Description of Trust Securities Trust Notes Series 2017-A";
2. the Third Supplemental Indenture described under "Description of Trust Securities Trust Notes Series 2017-A";
3. the Administration Agreement described under "The Trust The Administrative Agent";
4. the Declaration of Trust described under "The Trust";
5. the TCPL Sub Note Purchase Agreement described under "The Trust Activities of the Trust";

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6. the TCPL Sub Note Trust Indenture described under "Description of the 2017 TCPL Sub Notes";
7. the Third Supplemental Sub Note Indenture described under "Description of the 2017 TCPL Sub Notes";
8. the Share Exchange Agreement described under "Description of the Trust Securities Trust Notes Series 2017-A Share Exchange Agreement";
9. the Assignment and Set-Off Agreement described under "Description of the Trust Securities Trust Notes Series 2017-A Assignment and Set-Off Agreement";
10. the Credit Facility described under "The Trust Liquidity";
11. the Subscription Agreements described under "Description of the 2017 TCPL Sub Notes Interest and Maturity"; and
12. the Underwriting Agreement described under "Underwriting".

PRINCIPAL HOLDERS OF SECURITIES

It is intended that, at all times following the Closing Date, TCPL and/or its affiliates will own all of the Voting Trust Units. See "Capitalization of the Trust".

INTERESTS OF TCPL AND ITS AFFILIATES IN MATERIAL TRANSACTIONS

Pursuant to the Administration Agreement, TCPL administers the day-to-day operations of the Trust. TCPL and its affiliates may have interests which are not identical to those of the Trust. Consequently, conflicts of interest may arise with respect to transactions, including, the sale of the Trust Assets, future acquisitions of the Trust Assets from TCPL and/or its affiliates, and the renewal, termination or modification of the Administration Agreement. It is the intention of the Trust and TCPL that any agreements and transactions between the Trust, on the one hand, and TCPL and/or its affiliates, on the other hand, are fair to all parties and consistent with market terms and conditions.

LEGAL MATTERS

Certain matters relating to the issue and sale of the Trust Notes Series 2017-A will be passed upon on behalf of the Trust and TCPL by Blake, Cassels & Graydon LLP, as to matters of Canadian law, by Stikeman Elliott LLP as to matters of Canadian tax law, and by Mayer Brown LLP, as to matters of U.S. law. Mayer Brown LLP will rely upon the opinion of Blake, Cassels & Graydon LLP as to matters of Canadian law and the opinion of Stikeman Elliott LLP as to matters of Canadian tax law. The statements under "Certain U.S. Federal Income Tax Considerations" and "Certain ERISA Matters" are set forth in reliance upon the opinion of Mayer Brown LLP. In addition certain legal matters in connection with the Offering will be passed upon on behalf of the underwriters by their Canadian legal counsel Norton Rose Fulbright Canada LLP, as to matters of Canadian law, and by their U.S. legal counsel Paul, Weiss, Rifkind, Wharton & Garrison LLP, as to matters relating to U.S. law.

EXPERTS

The consolidated financial statements of TCPL as at December 31, 2016 and 2015 and for each of the years in the three-year period ended December 31, 2016 have been incorporated by reference herein and in the registration statement in reliance on the report of KPMG LLP, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as

experts in accounting and auditing.

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The consolidated and combined financial statements of Columbia as of December 31, 2015 and 2014, and for each of the three years in the period ended December 31, 2015, incorporated by reference herein and in the registration statement, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, incorporated by reference herein (which report expresses an unqualified opinion and includes an explanatory paragraph relating to Columbia's initial public offering of limited partner interests of Columbia Pipeline Partners LP which was completed on February 11, 2015 and Columbia's spin-off from NiSource Inc. on July 1, 2015). Such consolidated and combined financial statements have been so included herein in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

INTERESTS OF EXPERTS

As at the date of this prospectus, the partners and associates of Blake, Cassels & Graydon LLP, as a group, the partners and associates of Stikeman Elliott LLP, as a group, the partners and associates of Norton Rose Fulbright Canada LLP, as a group, and the partners and associates of Mayer Brown LLP, as a group, beneficially own, directly or indirectly, less than 1% of any class of securities of the Trust, TCPL or TCC. In connection with the audit of TCPL's annual financial statements for the year ended December 31, 2015, KPMG LLP confirmed that they are independent 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 under all relevant U.S. professional and regulatory standards. Deloitte & Touche LLP, an independent registered public accounting firm, is independent with respect to Columbia within the meaning of the Act and the applicable rules and regulations thereunder adopted by the SEC and the Public Company Accounting Oversight Board (United States).

DOCUMENTS FILED AS PART OF THE REGISTRATION STATEMENT

The following documents have been or will be filed with the SEC as part of the registration statement of which this prospectus forms a part: the documents referred to under "Documents Incorporated by Reference"; consent of KPMG LLP; consent of Deloitte & Touche LLP, consent of Blake, Cassels & Graydon LLP; consent of Stikeman Elliott LLP; consent of Mayer Brown LLP; consent of Norton Rose Fulbright Canada LLP, powers of attorney from directors and officers of TCPL; and copies of the form of each of the agreements listed under the heading "Material Contracts".

TRANSFER AGENT AND REGISTRAR AND EXCHANGE TRUSTEE

CST Trust Company will be appointed as transfer agent, registrar, Indenture Trustee and Exchange Trustee in respect of the Trust Notes Series 2017-A. The Trust Notes Series 2017-A will be issued in book-entry only form through the Clearing Agency. See "Description of the Trust Securities Trust Notes Series 2017-A Book-Entry Only Form".

ENFORCEMENT OF CIVIL LIABILITIES

The Trust is organized and TCPL is incorporated in Canada. Some of the directors and officers of TCPL, and some of the experts named in this prospectus, are residents of Canada or otherwise reside outside the U.S., and all or a substantial portion of their assets, and a substantial portion of the assets of TCPL, are located outside the U.S. The Trust and TCPL have appointed an agent for service of process in the U.S., but it may be difficult for holders of the Trust Notes Series 2017-A who reside in the U.S. to effect service within the U.S. upon those directors, officers and experts who are not residents of the U.S. It may also be difficult for holders of the Trust Notes Series 2017-A who reside in the U.S. to realize in the U.S. upon judgments of courts of the U.S. predicated upon the civil

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liability of the Trust or TCPL and the civil liability of the directors and officers of TCPL and experts under U.S. federal securities laws.

The Trust and TCPL have been advised by their Canadian counsel, Blake, Cassels & Graydon LLP, that a judgment of a U.S. court predicated solely upon civil liability under U.S. federal securities laws would probably be enforceable in Canada if the U.S. court in which the judgment was obtained has a basis for jurisdiction in the matter that would be recognized by a Canadian court for the same purposes. The Trust and TCPL have also been advised by Blake, Cassels & Graydon LLP, however, that there is real doubt whether an action could be brought in Canada in the first instance on the basis of liability predicated solely upon U.S. federal securities laws.

The Trust and TCPL filed with the SEC, concurrently with their registration statement on Form F-10, an appointment of agent for service of process on Form F-X. Under the Form F-X, TCPL and the Trust appointed TransCanada PipeLine USA Ltd. as its agent for service of process in the U.S. in connection with any investigation or administrative proceeding conducted by the SEC, and any civil suit or action brought against or involving the Trust or TCPL in a U.S. court arising out of or related to or concerning an offering of securities under this prospectus.

U.S.\$

TRANSCANADA TRUST

Trust Notes Series 2017-A Due , 2077

**The Trust Notes Series 2017-A are guaranteed on a subordinated basis by
TRANSCANADA PIPELINES LIMITED**

**PROSPECTUS
, 2017**

Joint Book-Running Managers and Co-Structuring Agents

Deutsche Bank Securities

J.P. Morgan

PART II

**INFORMATION NOT REQUIRED TO BE
DELIVERED TO OFFEREEES OR PURCHASERS**

Indemnification of Certain Persons

TransCanada PipeLines Limited

Section 124 of the *Canada Business Corporations Act* ("CBCA") and Section 6 of By-Law No. 1 of TCPL provide for the indemnification of directors and officers of TCPL. Under these provisions, TCPL shall indemnify a director or officer of TCPL, a former director or officer, and may indemnify an individual who acts or acted at TCPL's request as a director or officer or in a similar capacity of another entity (collectively, an "Indemnified Person") against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the Indemnified Person in respect of any civil, criminal, administrative, investigative or other proceeding (other than in respect to an action by or on behalf of TCPL to procure a judgment in its favor) in which the individual is involved because of that association with TCPL or other entity, if the Indemnified Person fulfills the following two conditions: (a) he or she acted honestly and in good faith with a view to the best interests of TCPL or in the best interests of such other entity as applicable and (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he or she had reasonable grounds for believing that his or her conduct was lawful. In respect of an action by or on behalf of TCPL or such other entity to procure a judgment in its favor, TCPL, with the approval of a court, may indemnify an Indemnified Person against all costs, charges and expenses reasonably incurred by him or her in connection with such action if he or she fulfills the conditions set out in clauses (a) and (b) of the previous sentence. Notwithstanding the foregoing, an Indemnified Person is entitled to indemnification from TCPL in respect of all costs, charges and expenses reasonably incurred by him or her in connection with the defense of any civil, criminal, administrative, investigative or other proceeding to which he or she is made a party by reason of his or her association with TCPL or such other entity if he or she fulfills the conditions in clauses (a) and (b) of this paragraph and was not judged by the court or other competent authority to have committed any fault or omitted to do anything that the individual ought to have done.

Insofar as indemnification for liabilities arising under the United States Securities Act of 1933, as amended (the "Securities Act") may be permitted to directors, officers or controlling persons of TCPL pursuant to the provisions described above, or otherwise, TCPL has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

TCPL maintains directors' and officers' liability insurance with policy limits, subject to the insurance policy terms and conditions, of U.S.\$200,000,000 in the aggregate, subject to a deductible in respect of corporate reimbursement of U.S.\$5,000,000 for each loss and a separate policy with a limit of U.S.\$50,000,000 for non-indemnifiable losses only. Generally, under this insurance TCPL is reimbursed for payments in excess of the deductible made under corporate indemnity provisions on behalf of its directors and officers, and individual directors and officers (or their heirs and legal representatives) are covered for losses arising during the performance of their duties for which they are not indemnified by TCPL. Noteworthy exclusions from coverage are: claims arising from illegal acts, those acts which result in illegal personal profit, violation of any fiduciary duty under the United States of America Employee Retirement Income Security Act of 1974, pollution damage (except for resultant shareholder actions), bodily injury, property damage or engineering professional services and claims brought by a director or officer against TCPL, or another director or officer or by TCPL against a director or officer except for shareholder derivative actions not assisted in by a director or officer of TCPL.

The foregoing is a description of the provisions of Section 124 of the CBCA and TCPL's By-Law No. 1 regarding indemnification of directors and officers of TCPL and TCPL's directors' and officers' liability insurance in effect as of February 17, 2017.

Additionally, directors and officers of TCPL are party to indemnity agreements with TCPL pursuant to which TCPL has agreed to indemnify such directors and officers from liability arising in connection with the performance of their duties. Such indemnity agreements conform with the provisions of the CBCA.

TransCanada Trust

The Trust's Declaration of Trust and the Administration Agreement, dated as of September 16, 2014, among the Trust, TCPL, as administrative agent (the "Administrative Agent"), and Valiant Trust Company, as trustee (the "Administration Agreement"), provide that the Trust will indemnify and hold harmless the Administrative Agent, and its directors, officers, employees, agents and representatives (collectively, the "Trust Indemnified Persons") in respect of (i) any liability and all costs, charges and expenses sustained or incurred in respect of any action, suit or proceeding that is or is proposed to be brought or commenced against the Trust Indemnified Persons, as the case may be, for or in respect of anything done or permitted to be done in respect of the execution of the obligations, duties, responsibilities, powers, discretions and authorities of the Administrative Agent under the Trust's Declaration of Trust or the Administration Agreement and (ii) all other costs, charges, taxes, penalties and interest in respect of unpaid taxes and all other expenses and liabilities sustained or incurred by the Administrative Agent in respect of the administration or termination of the Trust. A Trust Indemnified Person shall not be indemnified if the particular loss, damage or expense is attributable to the gross negligence, wilful misconduct, dishonesty, bad faith or fraud of the Administrative Agent in the performance of such obligations, duties, responsibilities, powers, discretions or authorities under the Trust's Declaration of Trust or the Administration Agreement or to the Administrative Agent's failure to perform such obligations, duties, responsibilities, powers, discretions or authorities. Recovery by the Trust Indemnified Persons will be limited to the assets of the Trust pursuant to the Trust's Declaration of Trust and the Administration Agreement.

The Trust does not carry any insurance to cover such potential obligations and, to the Administrative Agent's knowledge, none of the foregoing parties are insured for losses for which the Trust has agreed to indemnify them.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or controlling persons of the Trust or the Administrative Agent pursuant to the provisions described above, or otherwise, the Trust has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

The foregoing is a description of the provisions of the Trust's Declaration of Trust and the Administration Agreement regarding indemnification of the Administrative Agent in effect as of February 17, 2017.

EXHIBITS

Exhibit Number	Description
4.1	Audited comparative consolidated financial statements of TCPL as at December 31, 2016 and 2015 and for each of the years in the three-year period ended December 31, 2016, the notes thereto, and the auditors' report thereon (included as part of the Form 40-F filed with the Securities and Exchange Commission on February 17, 2017, incorporated by reference herein).
4.2	Management's Discussion and Analysis of Financial Condition and Results of Operations of TCPL as at and for the year ended December 31, 2016 (included as part of the Form 40-F filed with the Securities and Exchange Commission on February 17 2017, incorporated by reference herein).
4.3	Annual Information Form of TCPL for the year ended December 31, 2015, dated March 7, 2016 (included as part of the Form 40-F filed with the Securities and Exchange Commission on February 11, 2016, as amended by the Form 40-F/A filed with the Securities and Exchange Commission on March 14, 2016, and incorporated by reference herein).
4.4	Trust's Declaration of Trust, dated as of September 16, 2014, made by Valiant Trust Company (filed as Exhibit 4.6 to Form F-10 (333-203859) on May 5, 2015 and incorporated herein by reference).
4.5	Administration Agreement, dated as of September 16, 2014, between Valiant Trust Company and TCPL (filed as Exhibit 4.7 to Form F-10 (333-203859) on May 5, 2015 and incorporated herein by reference).
4.6	Material change report of TCPL dated April 7, 2016 filed with the Securities and Exchange Commission as part of a Form 6-K on April 7, 2016 and incorporated herein by reference.
4.8	Business acquisition report of TCPL dated July 22, 2016 filed with the Securities and Exchange Commission as part of a Form 6-K on July 22, 2016 and incorporated herein by reference.
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4.13	Subscription Agreement, dated May 19, 2015, between the Trust and TCPL (filed as Exhibit 4.5 to the Trust's Form 6-K filed with the Securities and Exchange Commission on May 21, 2015 and incorporated herein by reference).
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**4.15	Form of Underwriting Agreement among the Trust, TCPL, Deutsche Bank Securities Inc. and J.P. Morgan Securities LLC
*5.1	Consent of KPMG LLP.
*5.2	Consent of Deloitte & Touche LLP.
**5.3	Consent of Blake, Cassels & Graydon LLP.
**5.4	Consent of Mayer Brown LLP.
**5.5	Consent of Stikeman Elliott LLP.
**5.6	Consent of Norton Rose Fulbright LLP.

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Exhibit Number	Description
*6.1	Power of attorney (included in the signature page to this Registration Statement).
7.1	Trust Indenture, dated as of May 20, 2015, between the Trust and CST Trust Company, as trustee (filed as Exhibit 7.1 to the Trust's Form 6-K filed with the Securities and Exchange Commission on May 21, 2015 and incorporated herein by reference).
**7.2	Form of Third Supplemental Indenture between TCPL, the Trust and CST Trust Company, as trustee to the Trust Indenture between the Trust and CST Trust Company, as trustee
7.3	Subordinated Notes Trust Indenture, dated as of May 20, 2015, between TCPL and Computershare Trust Company of Canada, as trustee (filed as Exhibit 7.3 to the Trust's Form 6-K filed with the Securities and Exchange Commission on May 21, 2015 and incorporated herein by reference).
**7.4	Form of Third Supplemental Indenture between TCPL and Computershare Trust Company of Canada, as trustee to the Subordinated Notes Trust Indenture between TCPL and Computershare Trust Company of Canada, as trustee

*
Filed herewith.

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To be filed by amendment.

PART III

UNDERTAKING AND CONSENT TO SERVICE OF PROCESS

Item 1. Undertaking

The Registrants undertake to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to the securities registered pursuant to Form F-10 or to transactions in said securities.

Item 2. Consent to Service of Process

- (a) Concurrently with the filing of this Registration Statement, the Registrants are filing with the Commission a written irrevocable consent and power of attorney on Form F-X.
- (b) Concurrently with the filing of this Registration Statement, CST Trust Company, Trustee under the Trust Indenture, is filing with the Commission a written irrevocable consent and power of attorney on Form F-X.
- (c) Concurrently with the filing of this Registration Statement, Computershare Trust Company of Canada, Trustee under the Subordinated Notes Trust Indenture, is filing with the Commission a written irrevocable consent and power of attorney on Form F-X.
- (d) Any change to the name or address of the agent for service of the Registrants, CST Trust Company or Computershare Trust Company of Canada shall be communicated promptly to the Commission by amendment to Form F-X referencing the file number of the relevant registration statement.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form F-10 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Calgary, Province of Alberta, Country of Canada, on the 17th day of February, 2017.

TRANSCANADA PIPELINES LIMITED

By: /s/ RUSSELL K. GIRLING

Name: Russell K. Girling
Title: President and Chief Executive Officer

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POWER OF ATTORNEY

Each person whose signature appears below constitutes and appoints each of Russell K. Girling, Donald R. Marchand and Christine R. Johnston his or her true and lawful attorney-in-fact and agent, each acting alone, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any or all amendments (including post-effective amendments) to this Registration Statement, and any additional registration statements pursuant to Rule 462(b), and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing appropriate or necessary to be done in connection therewith, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

This Power of Attorney may be executed in multiple counterparts, each of which shall be deemed an original, but which taken together shall constitute one instrument.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
<p style="text-align: center;"><u>/s/ RUSSELL K. GIRLING</u></p> <p style="text-align: center;">Russell K. Girling</p>	<p>Director, President and Chief Executive Officer (Principal Executive Officer)</p>	<p>February 17, 2017</p>
<p style="text-align: center;"><u>/s/ DONALD R. MARCHAND</u></p> <p style="text-align: center;">Donald R. Marchand</p>	<p>Executive Vice-President, Corporate Development and Chief Financial Officer (Principal Financial Officer)</p>	<p>February 17, 2017</p>
<p style="text-align: center;"><u>/s/ GLENN MENUZ</u></p> <p style="text-align: center;">G. Glenn Menuz</p>	<p>Vice-President and Controller (Principal Accounting Officer)</p>	<p>February 17, 2017</p>
<p style="text-align: center;"><u>/s/ S. BARRY JACKSON</u></p> <p style="text-align: center;">S. Barry Jackson</p>	<p>Director, Chair</p>	<p>February 17, 2017</p>
<p style="text-align: center;"><u>/s/ KEVIN E. BENSON</u></p> <p style="text-align: center;">Kevin E. Benson</p>	<p>Director</p>	<p>February 17, 2017</p>
<p style="text-align: center;"><u>/s/ DEREK H. BURNEY</u></p> <p style="text-align: center;">Derek H. Burney</p>	<p>Director</p>	<p>February 17, 2017</p>
<p style="text-align: center;"><u>/s/ STÉPHAN CRÉTIER</u></p> <p style="text-align: center;">Stéphan Crétier</p>	<p>Director</p>	<p>February 17, 2017</p>

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Signature	Title	Date
<u>/s/ JOHN E. LOWE</u> John E. Lowe	Director	February 17, 2017
<u>/s/ PAULA ROSPUT REYNOLDS</u> Paula Rosput Reynolds	Director	February 17, 2017
<u>/s/ JOHN RICHEL</u> John Richels	Director	February 17, 2017
<u>/s/ MARY PAT SALOMONE</u> Mary Pat Salomone	Director	February 17, 2017
<u>/s/ INDIRA V. SAMARASEKERA</u> Indira V. Samarasekera	Director	February 17, 2017
<u>/s/ D. MICHAEL G. STEWART</u> D. Michael G. Stewart	Director	February 17, 2017
<u>/s/ SIIM A. VANASELJA</u> Siim A. Vanaselja	Director	February 17, 2017
<u>/s/ RICHARD E. WAUGH</u> Richard E. Waugh	Director	February 17, 2017

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form F-10 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Calgary, Province of Alberta, Country of Canada, on the 17th day of February, 2017.

TRANSCANADA TRUST, by TRANSCANADA PIPELINES
LIMITED, in its capacity as Administrative Agent

By: /s/ RUSSELL K. GIRLING

Name: Russell K. Girling
Title: President and Chief Executive Officer

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AUTHORIZED REPRESENTATIVE

Pursuant to the requirements of Section 6(a) of the Securities Act of 1933, the undersigned has signed this Registration Statement, solely in the capacity of the duly authorized representative of TransCanada PipeLines Limited and TransCanada Trust in the United States, on February 17, 2017 in Calgary, Alberta, Canada.

TRANSCANADA PIPELINE USA LTD.

By: /s/ CHRISTINE R. JOHNSTON

Name: Christine R. Johnston
Title: Vice-President and Assistant Secretary

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EXHIBIT INDEX

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