

Spectra Energy Corp.  
Form 425  
September 06, 2016

**Filed by Enbridge Inc.**

**Pursuant to Rule 425 under the Securities Act of 1933**

**and deemed filed pursuant to Rule 14a-12**

**under the Securities Exchange Act of 1934**

**Subject Company: Spectra Energy Corp**

**(Commission File No. 1-33007)**

**1. What did Enbridge announce?**

This morning, we announced a definitive agreement to combine with Spectra Energy in a stock-for-stock transaction valued at approximately C\$37 billion (US\$28 billion).

This transformative transaction creates North America's largest energy infrastructure company with unmatched scale and diversity.

Together with Spectra Energy, our combined company will have an asset base that includes a diverse set of best-in-class assets comprising crude oil, liquids and natural gas pipelines, terminal and midstream operations, a regulated utility portfolio and renewable power generation.

This combination of assets and expertise will position the combined company to provide integrated services and first and last mile connectivity to key supply basins and demand markets.

The transaction is expected to close in the first quarter of 2017, subject to the approval of both companies' shareholders and certain regulatory, government and other customary closing conditions.

**2. How will this transaction benefit Enbridge customers?**

As a combined company, Enbridge and Spectra Energy will create North America's largest energy infrastructure company that will have what we believe is the best platform for serving customers in every region of North America.

Enbridge will continue to deliver the same efficient, reliable energy and great service you have come to expect.

**3. Does this announcement have any immediate impact on Enbridge customers? Will rates be impacted?**

You can rest assured that you will continue to receive the same excellent service that you have come to expect from us. There will be no change in day-to-day service and customers will continue to be served by the same people.

Until the transaction is complete, which we expect to occur in the first quarter of 2017, Enbridge and Spectra Energy will remain separate companies and it remains business as usual.

The transaction will not have an effect on your bill.

We have built a reputation for providing safe, reliable and cost-effective service and that will not change.

**4. Will there be any changes to Enbridge's name, brands, products or services?**

For now, it remains business as usual.

Upon completion of the transaction, the combined company will be called Enbridge.

**5. Will there be any changes to my contracts with Enbridge?**

Until the transaction is completed, both Enbridge and Spectra Energy will continue to operate as separate companies.

We have no plans to make changes to any customer contracts in connection with this combination.

**6. Will my contacts at Enbridge change?**

There are no changes to your company contacts and you should continue to reach out to your existing Enbridge representatives.

**7. When will the transaction be completed? What needs to happen before the transaction can close?**

We expect the transaction to be completed in the first quarter of 2017.  
During that time, we will be working to secure the necessary approvals for the combination.

**8. How will I know more about the progress of the transaction? Where can I find additional information?**

Our relationship with our customers is the most important part of our business, and we will keep you updated on developments and progress throughout the process.  
As always, if you have any questions, please don't hesitate to contact your usual Enbridge representative.

## **ADDITIONAL INFORMATION ABOUT THE TRANSACTION AND WHERE TO FIND IT**

Enbridge will file with the U.S. Securities and Exchange Commission (SEC) a registration statement on Form F-4, which will include a proxy statement of Spectra Energy that also constitutes a prospectus of Enbridge, and any other documents in connection with the Transaction. The definitive proxy statement/prospectus will be sent to the shareholders of Spectra Energy. **INVESTORS AND SHAREHOLDERS OF SPECTRA ENERGY ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS, AND ANY OTHER DOCUMENTS FILED OR TO BE FILED WITH THE SEC IN CONNECTION WITH THE TRANSACTION WHEN THEY BECOME AVAILABLE, AS THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT ENBRIDGE, SPECTRA ENERGY, THE TRANSACTION AND RELATED MATTERS.** The registration statement and proxy statement/prospectus and other documents filed by Enbridge and Spectra Energy with the SEC, when filed, will be available free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov). In addition, investors and shareholders will be able to obtain free copies of the proxy statement/prospectus and other documents which will be filed with the SEC by Enbridge on Enbridge's website at [www.enbridge.com](http://www.enbridge.com) or upon written request to Enbridge's Investor Relations department, 200, 425 First St. SW, Calgary, AB T2P 3L8 or by calling 1-800-481-2804 within North America and 1-403-231-5957 from outside North America, and will be able to obtain free copies of the proxy statement/prospectus and other documents filed with the SEC by Spectra Energy upon written request to Spectra Energy, Investor Relations, 5400 Westheimer Court, Houston, TX 77056 or by calling 1-713-627-4610. You may also read and copy any reports, statements and other information filed by Spectra Energy and Enbridge with the SEC at the SEC public reference room at 100 F Street N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at 800.732.0330 or visit the SEC's website for further information on its public reference room. This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to appropriate registration or qualification under the securities laws of such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended.

## **PARTICIPANTS IN THE SOLICITATION OF PROXIES**

This communication is not a solicitation of proxies in connection with the Transaction. However, Enbridge, Spectra Energy, certain of their respective directors and executive officers and certain other members of management and employees, under SEC rules, may be deemed to be participants in the solicitation of proxies in connection with the Transaction. Information about Enbridge's directors and executive officers may be found in its Management Information Circular dated March 8, 2016 available on its website at [www.Enbridge.com](http://www.Enbridge.com) and at [www.sedar.com](http://www.sedar.com). Information about Spectra Energy's directors, executive officers and other members of management and employees may be found in its 2015 Annual Report on Form 10-K filed with the SEC on February 25, 2016, and definitive proxy statement relating to its 2016 Annual Meeting of Shareholders filed with the SEC on March 16, 2016. These documents can be obtained free of charge from the sources indicated above. Additional information regarding the interests of such potential participants in the solicitation of proxies in connection with the Transaction will be included in the proxy statement/prospectus and other relevant materials filed with the SEC when they become available.

## FORWARD-LOOKING INFORMATION

This communication includes certain forward looking statements and information (FLI) to provide Enbridge and Spectra Energy shareholders and potential investors with information about Enbridge, Spectra Energy and their respective subsidiaries and affiliates, including each company's management's respective assessment of Enbridge, Spectra Energy and their respective subsidiaries' future plans and operations, which FLI may not be appropriate for other purposes. FLI is typically identified by words such as "anticipate", "expect", "project", "estimate", "forecast", "plan", "target", "believe", "likely" and similar words suggesting future outcomes or statements regarding an outlook. All statements other than statements of historical fact may be FLI. In particular, this news release contains FLI pertaining to, but not limited to, information with respect to the following: the Transaction; the combined company's scale, financial flexibility and growth program; future business prospects and performance; annual cost, revenue and financing benefits; the expected ACFFO per share growth; annual dividend growth and anticipated dividend increases; payout of distributable cash flow; financial strength and ability to fund capital program and compete for growth projects; run-rate and tax synergies; leadership and governance structure; and head office and business center locations.

Although we believe that the FLI is reasonable based on the information available today and processes used to prepare it, such statements are not guarantees of future performance and you are cautioned against placing undue reliance on FLI. By its nature, FLI involves a variety of assumptions, which are based upon factors that may be difficult to predict and that may involve known and unknown risks and uncertainties and other factors which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by these FLI, including, but not limited to, the following: the timing and completion of the Transaction, including receipt of regulatory and shareholder approvals and the satisfaction of other conditions precedent; interloper risk; the realization of anticipated benefits and synergies of the Transaction and the timing thereof; the success of integration plans; the focus of management time and attention on the Transaction and other disruptions arising from the Transaction; expected future ACFFO; estimated future dividends; financial strength and flexibility; debt and equity market conditions, including the ability to access capital markets on favourable terms or at all; cost of debt and equity capital; potential changes in the Enbridge share price which may negatively impact the value of consideration offered to Spectra Energy shareholders; expected supply and demand for crude oil, natural gas, natural gas liquids and renewable energy; prices of crude oil, natural gas, natural gas liquids and renewable energy; economic and competitive conditions; expected exchange rates; inflation; interest rates; tax rates and changes; completion of growth projects; anticipated in-service dates; capital project funding; success of hedging activities; the ability of management of Enbridge, its subsidiaries and affiliates to execute key priorities, including those in connection with the Transaction; availability and price of labour and construction materials; operational performance and reliability; customer, shareholder, regulatory and other stakeholder approvals and support; regulatory and legislative decisions and actions; public opinion; and weather. We caution that the foregoing list of factors is not exhaustive. Additional information about these and other assumptions, risks and uncertainties can be found in applicable filings with Canadian and U.S. securities regulators, including any proxy statement, prospectus or registration statement to be filed in connection with the Transaction. Due to the interdependencies and correlation of these factors, as well as other factors, the impact of any one assumption, risk or uncertainty on FLI cannot be determined with certainty.

Except to the extent required by law, we assume no obligation to publicly update or revise any FLI, whether as a result of new information, future events or otherwise. All FLI in this news release is expressly qualified in its entirety by these cautionary statements.

## **NON-GAAP MEASURES**

This news release makes reference to non-GAAP measures, including ACFFO and ACFFO per share. ACFFO is defined as cash flow provided by operating activities before changes in operating assets and liabilities (including changes in environmental liabilities) less distributions to non-controlling interests and redeemable non-controlling interests, preference share dividends and maintenance capital expenditures, and further adjusted for unusual, non-recurring or non-operating factors. Management of Enbridge believes the presentation of these measures gives useful information to investors and shareholders as they provide increased transparency and insight into the performance of Enbridge. Management of Enbridge uses ACFFO to assess performance and to set its dividend payout target. These measures are not measures that have a standardized meaning prescribed by generally accepted accounting principles in the United States of America (U.S. GAAP) and may not be comparable with similar measures presented by other issuers. Additional information on Enbridge's use of non-GAAP measures can be found in Enbridge's Management's Discussion and Analysis (MD&A) available on Enbridge's website and [www.sedar.com](http://www.sedar.com).