

SOUTH DAKOTA ENERGY FACILITY PERMIT ACT BOND

Bond No.: BDTO-860041-018

Bond Amount: \$15,600,000

TransCanada Keystone Pipeline, LP as Principal (the "Principal") and Liberty Mutual Insurance Company a corporation created and existing under the laws of Massachusetts, as Surety (the "Surety"), are held and firmly bound unto the South Dakota Public Utilities Commission ("PUC"), and those townships, counties, or other governmental entities in South Dakota whose property is crossed by the pipeline referenced herein, as Obligees (individually referred to herein as "Obligee" and collectively referred to as the "Obligees") in the amount of Fifteen Million Six Hundred Thousand Dollars (\$15,600,000.00) lawful money of the United States for the payment of which sum the Principal and the Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally.

WHEREAS:

- A. the Principal is undertaking a pipeline project known as the Keystone XL Pipeline Project;
- B. the PUC has approved the Principal's application for the South Dakota portion (the "Project") of the Keystone XL Pipeline Project;
- c. the Principal has been granted the necessary permits by the PIJC to carry out the Project;
- D. Chapter 49-418-38 of the South Dakota Energy Facility Permit Act requires the Principal to provide the PUC with a bond to ensure the Principal complies with its obligation to ensure that any damage to roads and bridges (beyond normal wear) as a result of the Project is repaired;

Therefore, the condition of this obligation is such that if the Principal shall repair any damage beyond normal wear to public roads, highways, bridges or other related facilities caused by the Principal during the construction of the Project (the "Damage") then this obligation shall be void; otherwise to remain in full force and effect, subject to the following conditions:

1. In the event the Principal fails to repair any Damage within a reasonable period of time after an Obligee has made written demand on the Principal to repair such Damage (a "Default"), such Obligee shall notify the Surety in writing within thirty (30) days of such Default.
2. Following a Default and written notice thereof to the Surety by an Obligee, the Surety shall pay to such Obligee the actual cost of repairing the Damage, not to exceed the Bond Amount.
3. Regardless of the number of Obligees hereunder, in no event shall the aggregate liability of the Surety hereunder exceed the Bond Amount.
4. No right of action shall accrue on this Bond, to or for the use of, any person or corporation other than the Obligees named herein.
5. It is a condition of this Bond that any suit or action hereunder must be commenced before the expiration of two (2) years from the date the Obligee's cause of action hereunder has accrued.
6. This Bond may be cancelled by the Surety at any time by giving thirty (30) days written notice to the PUC. Following cancellation the Surety shall be relieved of any further liability under this Bond other

than for a Default occurring prior to cancellation and for which the Surety has received written notice from an Obligee in accordance with paragraph 1 above. Cancellation of this Bond by the Surety shall not, directly or indirectly, constitute grounds for a claim under this Bond notwithstanding that such cancellation may constitute a breach by the Principal of the South Dakota Energy Facility Permit Act.

7. For the purpose of providing any notice required pursuant to this Bond, the addresses of the Principal, the Surety and the PUC are as follows:

TransCanada Keystone Pipeline, LP:
700 Louisiana Street, Suite 700
Houston, TX 77002

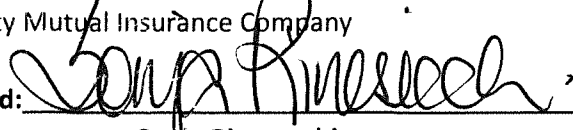
Liberty Mutual Insurance Company
175 Berkeley St.
Boston, MA 02116

South Dakota Public Utilities Commission:
Capitol Building 1st Floor
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

IN WITNESS WHEREOF, the Principal and the Surety have Signed and Sealed this Bond the 22nd day of May, in the year 2018.

TRANSCANADA KEYSTONE PIPELINE, LP
by its agent TC Oil Pipeline Operations, Inc.

Signed: 
Name: Jon A. Dobson
Title: Corporate Secretary

Liberty Mutual Insurance Company

Signed: _____
Name: Sonia Rivosecchi
Title: Attorney-in-Fact

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

100022825

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the company except in the manner and to the extent herein stated.

LIBERTY MUTUAL INSURANCE COMPANY
BOSTON, MASSACHUSETTS

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS:

That Liberty Mutual Insurance Company (the "Company"), a Massachusetts stock insurance company, pursuant to and by authority of the By-law and Authorization hereinafter set forth, does hereby name, constitute and appoint.....Lois Innes and Sonja Rivosecchi,..... **ALL OF THE CITY OF Calgary,..... PROVINCE OF Alberta** each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, and the execution of such undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents, shall be as binding upon and Company as if they had been duly signed by the president and attested by the secretary of the company in their own proper persons.

That this power is made and executed pursuant to and by authority of the following By-law and Authorization:

ARTICLE XIII – Execution of Contracts: Section 5. Surety Bonds and Undertakings.

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

By the following instrument the chairman or the president has authorized the officer or other official named therein to appoint attorneys-in-fact:

Pursuant to Article XIII, Section 5 of the By-laws, Steven Hastings, Assistant Secretary of Liberty Mutual Insurance Company, is hereby authorized to appoint such attorneys-in-fact as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

That the By-law and the Authorization set forth above are true copies thereof and are now in full force and effect.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the company and the corporate seal of Liberty Mutual Insurance Company has been affixed thereto in Toronto, Ontario this 11 day of January, 2018.

LIBERTY MUTUAL INSURANCE COMPANY

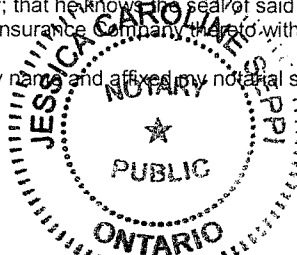


BY [Signature]
Steven Hastings, Assistant Secretary

PROVINCE OF ONTARIO
CITY OF TORONTO

On this 11 day of January, 2018, before me, a Notary Public, personally appeared Steven Hastings, to me known, and acknowledged that he is a Assistant Secretary of Liberty Mutual Insurance Company; that he knows the seal of said corporation; and that he executed the above Power of Attorney and affixed the corporate seal of Liberty Mutual Insurance Company thereto with the authority and at the direction of said corporation.

IN TESTIMONY WHEREOF, I have hereto subscribed my name and affixed my notarial seal at Toronto, Ontario, on the day and year first above written.



[Signature]
Jessica Seppi
Notary Public in and for the Province of Ontario

CERTIFICATE

I, the undersigned, Assistant Secretary of Liberty Mutual Insurance Company in Canada do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the officer or official who executed the said power of attorney is a Assistant Secretary specially authorized by the chairman or the president to appoint attorneys-in-fact as provided in Article XIII, Section 5 of By-laws of Liberty Mutual Insurance Company.

This certificate and the above power of attorney may be signed by facsimile or mechanically reproduced signatures under and by authority of the following vote of the board of directors of Liberty Mutual Insurance Company at a meeting duly called and held on the 12th day of March, 1980.

VOTED that the facsimile or mechanically reproduced signature of any assistant secretary of the company, wherever appearing upon a certified copy of any power of attorney issued by the company in connection with surety bonds, shall be valid and binding upon the company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said company, this 22 day of May, 2018



[Signature]
Michael Weiss, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, bank deposit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-416-365-7587 between 9:00 am and 4:30pm EST on any business day.