

2009 Tax Information for Canadian Residents

The following information is intended to assist a holder of trust units of the Keyera Facilities Income Fund (the Fund) who, for the purposes of the Income Tax Act of Canada (Act) is a resident of Canada and who holds the units as capital property. Unitholders are encouraged to seek advice from a qualified tax advisor with respect to the tax treatment of distributions received from the Fund in their particular situation.

Cash distributions declared in 2009 totaled \$2.25, of which 100% is **ordinary income**. This includes the special distribution of \$0.45 per unit paid to unitholders on December 15, 2009.

The table below identifies the portion of the Fund's distributions that were **taxable** and **returns of capital** for Canadian Income Tax purposes which will be included in a separate T3 Slip from the special distribution that was part of the Reorganization.

Record Date	Payment Date	Taxable		Tax Deferred	Total Distributions Paid (Cdn\$)
		Other Taxable Income (Cdn\$)	Dividend Income ² (Cdn\$)	Return of Capital (Cdn\$)	
January 30	February 17	\$0.1500	\$0.00	\$0.000	\$0.150
February 27	March 16	\$0.1500	\$0.00	\$0.000	\$0.150
March 31	April 15	\$0.1500	\$0.00	\$0.000	\$0.150
April 30	May 15	\$0.1500	\$0.00	\$0.000	\$0.150
May 25	June 15	\$0.1500	\$0.00	\$0.000	\$0.150
June 22	July 15	\$0.1500	\$0.00	\$0.000	\$0.150
July 22	August 17	\$0.1500	\$0.00	\$0.000	\$0.150
August 24	September 15	\$0.1500	\$0.00	\$0.000	\$0.150
September 22	October 15	\$0.1500	\$0.00	\$0.000	\$0.150
October 22	November 16	\$0.1500	\$0.00	\$0.000	\$0.150
November 23	December 15	\$0.6000	\$0.00	\$0.000	\$0.150
December 22	January 15, 2010	\$0.1500	\$0.00	\$0.000	\$0.600
	2009 Total per unit	\$2.2500	\$0.00	\$0.00	\$2.25

¹ The December distribution was comprised of cash in the amount of \$0.375 per unit and units in the amount of \$0.225 per unit.

² Dividend represents actual dividend amount before gross up.

This table does not reflect any additional benefits received by Unitholders enrolled in Keyera's Premium DistributionTM and Distribution Reinvestment Plan (the "Plan"). Unitholders who were enrolled in that Plan in 2009 are responsible for any taxes that may be associated with its operation. For further information on the Canadian income tax considerations associated with the Plan, Unitholders may refer to the Plan text which is available by clicking on the link below. Unitholders are cautioned however, that this information is not intended as legal or tax advice and Unitholders are urged to consult their own tax advisors for advice on their particular tax position.

[Premium DistributionTM and Distribution Reinvestment Plan text](#)

Trust units held outside of an RRSP, RRIF, DPSP or RESP

Unitholders holding their units outside of an RRSP, RRIF, DPSP or RESP will receive a T3 Supplementary Income Tax (T3) slip from their stockbroker in years when the cash distribution of the Fund has a component of regular income or taxable dividends. The T3 slips are required to be mailed out by March 31 of the following year and will indicate the **taxable** and **return of capital** components of the distributions. Unitholders are required to include the amounts indicated on their T3 slip on their income tax returns.

The Adjusted Cost Base (ACB) is used in calculating capital gains or losses on the disposition of trust units. Unitholders are required to reduce the ACB of their trust units by subtracting the **return of capital** amounts that became payable in a taxation year. Unitholders are required to keep a record of the **return of capital** amounts and their impact on the ACB of their trust units.

In the event a unitholder's ACB drops below zero during a taxation year, the negative amount is treated under the Act as a capital gain, which must be reported in the taxation year. The unitholder's ACB is then considered to be re-set to zero.

Trust units held within an RRSP, RRIF, DPSP or RESP

Unitholders holding their units within an RRSP, RRIF, DPSP or RESP are not required to report any of the amounts shown in the table above on their 2009 Income Tax Returns.