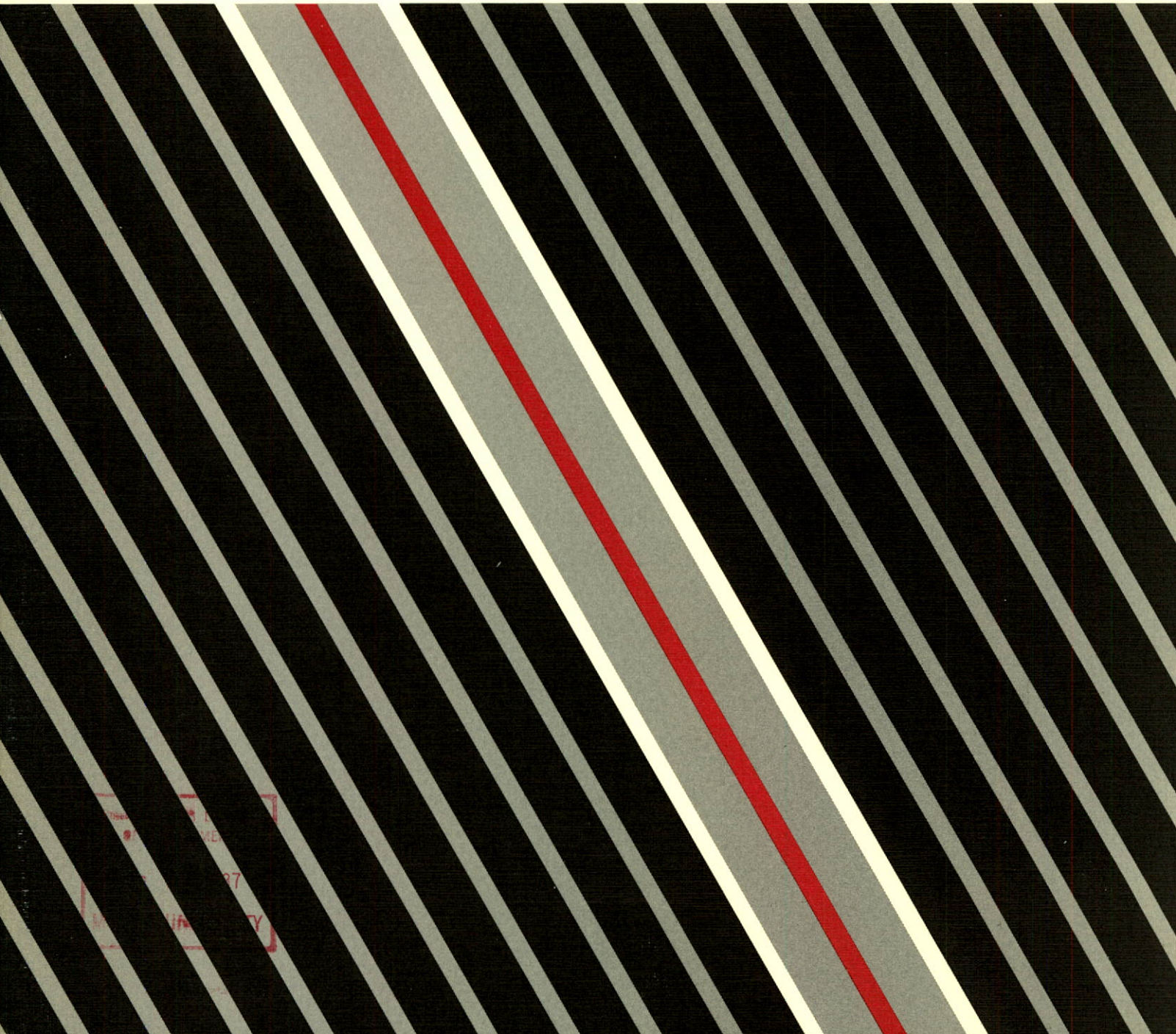


C



## 1986 ANNUAL REPORT







## THE COMPANY

Majestic is one of North America's leading cross-country pipeline contractors.

Originally formed in 1954, the Company through amalgamation, was listed on the Toronto Stock Exchange in May, 1974. Majestic has been involved in all major pipeline systems in Canada, several in the United States, and has developed valuable expertise in arctic construction in both Canada and Alaska. The Company has also completed projects in India, Malaysia and the Middle East.

The Company owns a large fleet of well-maintained pipeline construction equipment. Our resources are particularly suited to big inch pipe from 508 mm to 1067 mm diameter and larger.

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## ANNUAL AND GENERAL MEETING

All shareholders are invited to attend the Annual and General Meeting of Shareholders to be held on May 7, 1987 at 10:00 a.m. (local time) in the **Rowand** Suite of the **Four Seasons Hotel, Edmonton, Alberta, Canada.**

# REPORT TO SHAREHOLDERS

World-wide pipeline construction continued at low levels during 1986 and even though our Canadian operations were profitable, we experienced significant losses in the United States on one project that resulted in a loss for the year. Revenues for the year ended December 31, 1986 decreased by 44.3% to \$39,814,000 compared to \$71,561,000 for 1985.

The loss from continuing operations was \$(2,032,000) or \$(0.25) per share compared with income from continuing operations of \$2,206,000 or \$0.27 per share in 1985. The 1985 loss on discontinued operation resulted in a loss of \$(1,870,000) or \$(0.23) per share.

## CANADIAN OPERATIONS

Majestic through a 50/50 joint venture, successfully completed its first fibre optics cable project for Alberta Government Telephones. This project ran from Canmore, Alberta to Calgary, Alberta and will be used for the 1988 Winter Olympics in Calgary.

During the second quarter, we were awarded 360 kms of 508 mm and 1.6 kms of 1219 mm oil pipeline for Interprovincial Pipe Line Limited. Construction started at Nesbitt, Manitoba and finished at Regina, Saskatchewan in October.

## U.S. OPERATIONS

In June we received an award from Lakehead Pipeline Company, Inc., for the construction of three (3) pipeline loops totalling 21 kms of 1219 mm oil pipeline in Minnesota. A second contract was awarded by Texas Eastern Gas Pipeline Company for the construction of five (5) pipeline loops varying in size from 660.4 mm to 914.4 mm. These loops were constructed in Ohio, West Virginia and Pennsylvania.

## INTERNATIONAL OPERATIONS

International operations market has been curtailed until significant volumes of work are available for tender. Current margins and an over supply of contractors make it unattractive to continue bidding at this time. We, however, continue to look for low risk opportunities in the International market.

## RATIONALIZATION

To minimize our exposure on invested capital we will cut back to a one spread operation in 1987. To do this we will close our Lakeville, Minnesota office and make substantial reductions in North American staff levels. Major equipment sales will be made in the second quarter of 1987 and all other areas of remaining fixed costs will be reduced to levels commensurate with the volumes of work forecast for the next two years. Future pipeline activities will be centrally controlled from Edmonton.

## SHARE PURCHASES

During the period from February 3, 1986 to February 17, 1987, the Company has purchased for cancellation 143,600 common shares at prices ranging from \$2.00 to \$2.25.

Your Directors feel these shares represent a worthwhile investment at current market prices and an appropriate use of funds that will benefit continuing shareholders.

## OUTLOOK

We expect construction of big inch pipeline to continue at low levels of activity for at least two years due to low crude oil and natural gas prices. We are confident that our

downsized operation, coupled with our strong balance sheet, will allow us to remain profitable during these depressed market conditions, yet well positioned to participate in future pipeline projects.

Majestic is continuing to seek out suitable acquisition candidates that will counter-balance the cyclical nature of the pipeline business.

The Directors wish to express their sincere appreciation to employees, customers, and shareholders for their continued support.

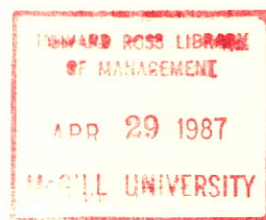
February 25, 1987



A. J. Cressey,  
President and Chief Executive  
Officer



J. M. Banks,  
Chairman of the Board





# SUMMARY OF ACCOUNTING POLICIES

DECEMBER 31, 1986 AND 1985

## ACCOUNTING PRINCIPLES

The consolidated financial statements are prepared by Majestic Contractors Limited (the Company) in accordance with accounting principles generally accepted in Canada and conform in all material respects with the standards of the International Accounting Standards Committee.

## PRINCIPLES OF CONSOLIDATION

The consolidated financial statements are expressed in Canadian dollars and include the accounts of the Company, its 100% owned subsidiary, Majestic International Contractors Limited, its 51% owned subsidiary, Majestic Laser Systems Ltd. and its pro rata share, utilizing the proportionate consolidation method, of the assets, liabilities, revenues and expenses of joint ventures. Details for joint ventures have not been provided as the amounts are not material. All significant intercompany transactions and balances have been eliminated on consolidation.

## TRANSLATION OF FOREIGN CURRENCIES

The Company's foreign operations are integrated and are translated into Canadian dollars as follows:

- (a) current assets (except for prepaid expenses) and current liabilities (except for deferred contract revenue) at the exchange rate at the balance sheet date;
- (b) all other assets, liabilities and non-current deferred income taxes, at the approximate rate of exchange at the time the transaction occurred; and
- (c) revenues and expenses, at the average rate of exchange for the year, except that items relating to balance sheet accounts are translated at historical exchange rates.

All translation gains and losses related to the foreign operations are included in the Consolidated Statements of Loss.

## ACCOUNTING FOR CONSTRUCTION CONTRACTS

Profits from construction contracts are recognized for accounting purposes on the percentage of completion method. The per-

centage of completion is determined by relating the actual cost of work performed to date, to the current estimated total cost of the respective contracts. When the current estimated costs to complete indicate a loss, such a loss is recognized immediately for accounting purposes. Revisions in costs and earnings or loss estimates during the course of the work are reflected during the accounting period in which the facts which cause the revision became known. Income from claims is recorded in the year such claims are resolved.

Unbilled work represents the excess of contract costs and profits recognized to date on the percentage of completion accounting method over billings to date. Deferred contract revenue represents the excess of billings to date over the amount of contract costs and profits recognized to date on the percentage of completion accounting method.

## PROPERTY AND EQUIPMENT

All property and equipment is recorded at cost. The cost and the accumulated depreciation of property and equipment which is retired or sold are removed from the accounts and the gain or loss is recorded in the Consolidated Statements of Loss.

Depreciation is provided primarily on the declining balance method over the useful lives of the assets which are estimated to be 10 to 25 years for buildings, 3 to 10 years for construction equipment and 10 years for other assets.

## INCOME TAXES

The provision for (recovery of) income taxes recognizes the tax effects of all income and expense transactions included in each year's Consolidated Statement of Loss.

Deferred income taxes arising from items in current assets and current liabilities are classified as a current liability.

The non-current deferred income taxes arise primarily from the difference between the depreciation claimed for tax purposes and the depreciation recorded in the accounts.

## INCOME (LOSS) PER SHARE

Computations of income (loss) per share are based on the weighted average number of shares outstanding during the respective

years (1986 — 8,197,029 shares; 1985 — 8,222,355 shares). The additional number of shares issuable upon the potential exercise of employees' stock options has not been included since the effect would not be material.

## PENSION AND INCENTIVE COMPENSATION PLANS

The Company has two non-contributory pension plans which cover its executive, professional, administrative and clerical employees, subject to certain specified service requirements. An actuarial valuation is prepared at least every three years. The actuarial valuations as at December 31, 1986 for both the Canadian plan and the United States plan indicates there is no unfunded liability.

The Company has an incentive compensation plan which provides for payment to be made to certain key employees based on performance goals. No amounts were accrued under this plan in 1986 or 1985.

## SCIENTIFIC RESEARCH INVESTMENT CONTRACT

In 1982, the Company purchased a scientific research investment contract. This investment qualifies as a research and development expense for income tax purposes. Under the Income Tax Act, there is a permanent tax saving which has been applied to reduce the cost of the investment in the consolidated financial statements.

The contract entitles the Company to guaranteed semi-annual royalty payments from 1983 through 1986. The cost of the investment and the related income tax benefit are being amortized over the life of the guaranteed royalty payments.

## RESEARCH AND DEVELOPMENT COSTS

Research and development costs, net of any related grants from government incentive programs, are expensed.



# CONSOLIDATED BALANCE SHEETS

AS AT DECEMBER 31, 1986 AND 1985

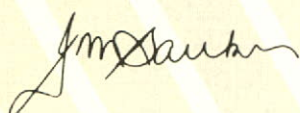
## ASSETS


	1986	1985
<b>Current assets:</b>		
Cash and term deposits .....	\$ 14,733,000	\$ 14,878,000
Accounts receivable (Note 6) .....	688,000	870,000
Holdbacks receivable (Note 1) .....	4,877,000	6,367,000
Unbilled work .....	233,000	201,000
Current portion of scientific research investment contract .....	—	875,000
Assets held for resale .....	1,096,000	—
Prepaid and other .....	149,000	211,000
Total current assets .....	<u>21,776,000</u>	<u>23,402,000</u>
<b>Property and equipment:</b>		
Land .....	118,000	118,000
Buildings .....	2,720,000	2,720,000
Construction equipment .....	31,986,000	37,104,000
Other .....	924,000	921,000
	<u>35,748,000</u>	<u>40,863,000</u>
Less accumulated depreciation .....	28,324,000	29,690,000
Net property and equipment .....	<u>7,424,000</u>	<u>11,173,000</u>
	<u>\$ 29,200,000</u>	<u>\$ 34,575,000</u>

## LIABILITIES AND SHAREHOLDERS' EQUITY

<b>Current liabilities:</b>		
Accounts payable .....	\$ 565,000	\$ 1,347,000
Accrued liabilities .....	1,454,000	2,115,000
Income taxes payable .....	425,000	1,190,000
Income taxes — current deferred .....	1,887,000	2,141,000
Deferred contract revenue .....	8,000	—
Total current liabilities .....	<u>4,339,000</u>	<u>6,793,000</u>
<b>Deferred income taxes</b> .....	<u>2,947,000</u>	<u>3,805,000</u>
<b>Shareholders' equity (Note 2):</b>		
Share capital —		
Authorized — 20,000,000 shares without nominal or par value; issued and fully paid — 8,092,754 shares (1985 — 8,220,154 shares) .....	7,964,000	8,090,000
Contributed surplus .....	2,959,000	3,006,000
Retained earnings .....	10,991,000	13,134,000
Accumulated translation loss .....	—	(253,000)
Total shareholders' equity .....	<u>21,914,000</u>	<u>23,977,000</u>
	<u>\$ 29,200,000</u>	<u>\$ 34,575,000</u>

Approved by the Board:

 Director

 Director

The accompanying summary of accounting policies and notes are an integral part of these consolidated balance sheets.



# CONSOLIDATED STATEMENTS OF LOSS

FOR THE YEARS ENDED DECEMBER 31, 1986 AND 1985

	1986	1985
Revenues .....	\$ 39,814,000	\$ 71,561,000
Operating expenses:		
Cost of operations (Note 3) .....	41,432,000	66,949,000
General and administrative expenses .....	3,426,000	3,340,000
Total operating expenses .....	44,858,000	70,289,000
Income (Loss) before other income .....	(5,044,000)	1,272,000
Other income, net (Note 4) .....	657,000	2,143,000
Income (Loss) before provision for (recovery of) income taxes ....	(4,387,000)	3,415,000
Provision for (Recovery of) income taxes (Note 5) .....	(2,355,000)	1,209,000
Income (Loss) from continuing operation .....	(2,032,000)	2,206,000
Loss on discontinued operations (Note 1) .....	—	(4,076,000)
Loss .....	\$ (2,032,000)	\$ (1,870,000)
Income (Loss) per share:		
Continuing operations .....	\$ (0.25)	\$ 0.27
Discontinued operation .....	—	(0.50)
Loss per share .....	\$ (0.25)	\$ (0.23)

# CONSOLIDATED STATEMENTS OF RETAINED EARNINGS

FOR THE YEARS ENDED DECEMBER 31, 1986 AND 1985

	1986	1985
Balance, beginning of year .....	\$ 13,134,000	\$ 15,079,000
Loss .....	(2,032,000)	(1,870,000)
Purchase of shares (Note 2) .....	(111,000)	(75,000)
Balance, end of year .....	\$ 10,991,000	\$ 13,134,000

The accompanying summary of accounting policies and notes are an integral part of these consolidated statements.



# CONSOLIDATED STATEMENTS OF CHANGES IN CASH RESOURCES

FOR THE YEARS ENDED DECEMBER 31, 1986 AND 1985

	1986	1985
<b>Operating Activities:</b>		
Loss .....	\$ (2,032,000)	\$ (1,870,000)
Add (Deduct) items not involving cash:		
Depreciation and amortization .....	2,189,000	2,945,000
Deferred income taxes .....	(858,000)	(1,788,000)
Gain on sale of equipment .....	(15,000)	(10,000)
	<u>(716,000)</u>	<u>(723,000)</u>
Net change in non-cash working capital balances related to operating activities .....	<u>(973,000)</u>	<u>(3,052,000)</u>
Cash used for operating activities .....	<u>(1,689,000)</u>	<u>(3,775,000)</u>
<b>Financing Activities:</b>		
Purchase of shares .....	(284,000)	(127,000)
Exercise of employee stock options .....	—	12,000
Other .....	253,000	(215,000)
Cash used for financing activities .....	<u>(31,000)</u>	<u>(330,000)</u>
<b>Investing Activities:</b>		
Additions to property and equipment .....	(539,000)	(758,000)
Proceeds from sale of equipment .....	1,018,000	133,000
Reclassification of assets held for resale .....	1,096,000	—
Decrease in equity investment .....	—	2,048,000
Cash provided by investing activities .....	<u>1,575,000</u>	<u>1,423,000</u>
Decrease in cash .....	<u>(145,000)</u>	<u>(2,682,000)</u>
Cash, beginning of year .....	<u>14,878,000</u>	<u>17,560,000</u>
Cash, end of year .....	<u>\$ 14,733,000</u>	<u>\$ 14,878,000</u>

The accompanying summary of accounting policies and notes are an integral part of these consolidated statements.

To the Shareholders of  
Majestic Contractors Limited:

We have examined the consolidated balance sheets of Majestic Contractors Limited (an Ontario corporation) as at December 31, 1986 and 1985 and the related consolidated statements of loss, retained earnings and changes in cash resources for the years then ended. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of Majestic Contractors Limited as at December 31, 1986 and 1985 and the results of its operations and the changes in its cash resources for the years then ended in accordance with generally accepted accounting principles applied on a consistent basis.

Calgary, Alberta,  
February 6, 1987.

**ARTHUR ANDERSEN & CO.,**  
Chartered Accountants



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1986 AND 1985

## 1. DISCONTINUED OPERATION

Abahsain Majestic Pipeline Company Ltd., of which the Company is a 49% participant, discontinued its Saudi Arabian operation in 1985. The equipment was sold, approximately half to each of the shareholders. The remaining expected proceeds of \$1,157,000 (1985 — \$1,722,000) on the discontinued operation are holdbacks receivable. Receipt of these funds is dependent on obtaining certain clearances from Saudi tax authorities. The 1985 operating loss from the discontinued operation was \$758,000 and the estimated loss on disposal was \$3,318,000.

## 2. SHARE CAPITAL

In 1986, the Company purchased 127,400 (1985 — 39,500) common shares on the open market for \$284,000 (1985 — \$127,000). These shares were subsequently cancelled and the share capital, contributed surplus and retained earnings accounts have been reduced by \$126,000 (1985 — \$38,000), \$47,000 (1985 — \$14,000) and \$111,000 (1985 — \$75,000), respectively.

Certain key employees are granted options exercisable during the period of five years from the date of granting, entitling employees to purchase shares of the Company at a rate of 20% of the total optioned shares per year on a cumulative basis.

No options were exercised or granted during the year (1985 — options for 18,000 shares were granted and 3,600 were exercised at a price of \$3.40 per share). Options for 45,733 (1985 — 13,624) shares at a price of \$3.40 (1985 — \$3.40) per share were cancelled during the year.

On May 9, 1985, the shareholders confirmed and ratified the implementation of the "1985 Stock Option and Long-term Performance Incentive Plan". The Plan provides that 200,000 shares in the capital stock of the Company are reserved for issue upon exercise of stock options pursuant to the terms of the Plan, to such employees and at such price as may be determined from time to time by the 1985 Stock Option and Long-term Performance Incentive Plan Committee. On February 25, 1986, options for 27,000 shares under the Plan were granted at a price of \$2.80 per share. Options for 5,000 shares at a price of \$2.80 per share were cancelled during the year.

As at December 31, 1986, the following shares have been reserved:

For options granted	265,614
For future options	252,632
	<u>518,246</u>

## 3. RESEARCH AND DEVELOPMENT COSTS

Included in cost of operations are research and development costs of \$6,000 (1985 — \$385,000).

## 4. OTHER INCOME, NET

	1986	1985
Income from short-term investments	\$ 1,257,000	\$ 807,000
Interest income from loan to parent (Note 6)	111,000	315,000
Royalties from scientific research investment contract	780,000	1,477,000
Amortization of cost of scientific research investment contract	(1,250,000)	(1,250,000)
Foreign exchange gain (loss)	(233,000)	829,000
Interest expense	(68,000)	(102,000)
Other	60,000	67,000
	<u>\$ 657,000</u>	<u>\$ 2,143,000</u>

## 5. INCOME TAXES

The provision for (recovery of) income taxes is comprised of the following:

	1986	1985
Current	\$ (1,243,000)	\$ 1,456,000
Current deferred	(254,000)	1,541,000
Deferred	(858,000)	(1,788,000)
	<u>\$ (2,355,000)</u>	<u>\$ 1,209,000</u>



The following schedule reconciles the expected income taxes to the actual income tax provision reported:

	1986	1985
Expected income taxes (recovery) related to pretax income (loss) at 50% (1985 — 49%) .....	\$ (2,194,000)	\$ 1,665,000
Amortization of tax benefit from scientific research investment contract .....	(375,000)	(375,000)
Effect of investment tax credits on research and development expenditures .....	(3,000)	(31,000)
Foreign tax differences .....	—	22,000
Other .....	217,000	(72,000)
Provision for (Recovery of) income taxes .....	<u>\$ (2,355,000)</u>	<u>\$ 1,209,000</u>

#### 6. RELATED PARTY TRANSACTIONS

- (a) During the year, \$3,000,000 U.S. (1985 — \$5,000,000 and \$1,500,000 U.S.) was loaned to and repaid by the Company's parent. There was \$111,000 (1985 — \$315,000) of interest earned on these loans.
- (b) Included in accounts receivable in 1985 is \$297,000 U.S. from Perini International Corporation from a construction joint venture.

#### 7. BUSINESS SEGMENT INFORMATION

The Company operates in one industry segment, that being pipeline construction. Its operations are conducted principally in Canada and the United States. The operations and identifiable assets by geographic region for the years ended December 31, 1986 and 1985 are as follows:

1986	CANADA	FOREIGN	TOTAL
Revenues .....	<u>\$ 22,535,000</u>	<u>\$ 17,279,000</u>	<u>\$ 39,814,000</u>
Operating loss .....	<u>\$ (1,103,000)</u>	<u>\$ (3,941,000)</u>	<u>\$ (5,044,000)</u>
Other income, net .....			657,000
Recovery of income taxes .....			2,355,000
Loss .....			<u>\$ (2,032,000)</u>
Identifiable assets .....	<u>\$ 21,243,000</u>	<u>\$ 7,957,000</u>	<u>\$ 29,200,000</u>
1985			
Revenues .....	<u>\$ 38,441,000</u>	<u>\$ 33,120,000</u>	<u>\$ 71,561,000</u>
Operating income .....	<u>\$ 802,000</u>	<u>\$ 470,000</u>	<u>\$ 1,272,000</u>
Other income, net .....			2,143,000
Provision for income taxes .....			(1,209,000)
			2,206,000
Loss on discontinued operation .....			(4,076,000)
Loss .....			<u>\$ (1,870,000)</u>
Identifiable assets .....	<u>\$ 25,894,000</u>	<u>\$ 8,681,000</u>	<u>\$ 34,575,000</u>

#### 8. CONTINGENCIES

Contingent liabilities include the usual liability of contractors for performance and completion of construction contracts.

#### 9. REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

The aggregate remuneration, including that portion of the incentive compensation earned during the year, paid or payable, for the years ended December 31, is as follows:

	1986		1985	
	Amount	Number	Amount	Number
Directors who are not Senior Officers .....	\$ 31,000	4	\$ 30,000	4
Directors who are also Senior Officers .....	283,000	2	299,000	2
	314,000	6	329,000	6
Senior Officers who are not Directors .....	644,000	7	877,000	9
	<u>\$ 958,000</u>	<u>13</u>	<u>\$ 1,206,000</u>	<u>15</u>



# SIX YEAR FINANCIAL REVIEW

(in thousands except share amounts and ratios)

For the year ended December 31

1986 1985 1984 1983 1982 1981

## Operating Results:

Revenues .....	\$ 39,814	\$ 71,561	\$ 57,379	\$ 28,928	\$ 136,420	\$ 158,798
Gross income (loss) from operations .....	(1,618)	4,612	(259)	(4,619)	19,134	34,748
General and administrative expenses .....	3,426	3,340	3,183	4,346	5,104	6,003
Other income, net .....	657	2,143	3,184	2,569	1,791	1,105
Income (loss) before income taxes .....	(4,387)	3,415	(258)	(6,396)	15,821	29,850
Provision for (recovery of) income taxes ....	(2,355)	1,209	(1,057)	(3,655)	7,624	15,025
Income (loss) from continuing operations ..	(2,032)	2,206	799	(2,741)	8,197	14,825
Loss on discontinued operation .....	—	(4,076)	(1,892)	—	—	—
Income (loss) .....	(2,032)	(1,870)	(1,093)	(2,741)	8,197	14,825
Income (loss) from continuing operations per common share .....	(0.25)	0.27	0.10	(0.33)	0.98	1.77
Income (loss) per common share .....	(0.25)	(0.23)	(0.13)	(0.33)	0.98	1.77
Weighted average common shares outstanding used in per share calculations .....	8,197	8,222	8,397	8,393	8,378	8,360

## Balance Sheet Data:

Total assets .....	\$ 29,200	\$ 34,575	\$ 39,130	\$ 43,544	\$ 55,258	\$ 68,518
Cash and term deposits .....	14,733	14,878	17,560	20,210	31,908	18,774
Current assets .....	21,776	23,402	23,599	28,405	36,242	50,115
Current liabilities .....	4,339	6,793	7,360	5,949	14,628	29,337
Working capital .....	17,437	16,609	16,239	22,456	21,614	20,778
Current ratio .....	5.0:1	3.4:1	3.2:1	4.8:1	2.5:1	1.7:1
Net property and equipment — net .....	7,424	11,173	10,233	12,294	15,187	17,757
Deferred income taxes .....	2,947	3,805	5,593	5,611	5,986	4,364
Shareholders' equity .....	21,914	23,977	26,177	31,984	34,644	34,817
Shareholders' equity per common share ....	2.71	2.92	3.17	3.81	4.13	4.16

## Operating Statistics:

Income (loss) as a percentage of revenues ..	(5.1)%	(2.6)%	(1.9)%	(9.5)%	6.0%	9.3%
Income (loss) as a percentage of average shareholders' equity .....	(8.9)%	(7.4)%	(3.8)%	(8.2)%	23.6%	54.2%
Net income (loss) as a percentage of average capital employed .....	(7.2)%	(6.3)%	(3.2)%	(7.0)%	20.5%	48.1%
Cash provided by (used for) operating activities .....	(\$1,689)	(\$3,775)	\$4,419	(\$7,670)	\$21,555	\$25,230
Additions to property and equipment .....	539	758	327	289	1,382	12,173



# CORPORATE INFORMATION

## Board of Directors:

### **J.M. Bankes**

Chairman of the Board of Directors,  
Majestic Contractors Limited

### **J.B. Barber**

Retired Executive,  
Formerly Vice Chairman of the Board and  
Senior Vice President,  
The Algoma Steel Corporation

### **G.W. Clayton**

Principal,  
Columbia Pacific Resources Group Ltd.

### **A.J. Cressey**

President and Chief Executive Officer,  
Majestic Contractors Limited

### **J.E. Maybin**

President,  
Colmac Energy Inc.

### **D.B. Perini**

Chairman of the Board,  
President and Chief Executive Officer,  
Perini Corporation

## Officers:

### **J.M. Bankes**

Chairman of the Board of Directors

### **A.J. Cressey**

President and Chief Executive Officer

### **G.M. Oswald**

Senior Vice President, Pipeline Operations

### **N.A. Harrison**

Senior Vice President, Finance and Administration

### **K. Austin**

Vice President, U.S. Operations

### **L.G. Ziehr**

Vice President, Canada

### **L.G. Wasylynychuk**

Vice President, Comptroller and Secretary

### **R. Peltier**

Vice President, Administration,  
U.S. and Assistant Secretary

## Transfer Agent and Registrar:

Montreal Trust Company  
Calgary and Toronto

## Stock Exchange Listing:

The Toronto Stock Exchange  
(symbol MJC)

## Bankers:

The Royal Bank of Canada

## Auditors:

Arthur Andersen & Co.,  
Chartered Accountants

## Offices:

### **Corporate/Canadian Pipeline Division**

P.O. Box 8205, Station "F"  
Edmonton, Alberta, Canada T6H 4P1  
Telephone: (403) 988-6421  
Telex: 037-41558  
Telecopier: (403) 988-5727

### **U.S. Pipeline Division**

P.O. Box 849  
19784 Kenrick Avenue  
Lakeville, Minnesota, USA 55044  
Telephone: (612) 469-3399  
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