

## **Information for Canadian Resident Shareholders**

On January 31, 2014, ONEOK, Inc. ("ONEOK") distributed all of the shares of common stock of ONE Gas, Inc. ("ONE Gas"), a wholly owned subsidiary of ONEOK, to ONEOK shareholders (the "Distribution"). Prior to the Distribution, ONEOK transferred its natural gas distribution business to ONE Gas.

The distribution occurred by way of a pro rata dividend to ONEOK shareholders of record as of January 21, 2014, the record date of the Distribution (the "Record Date"). Each ONEOK shareholder was entitled to receive one share of ONE Gas common stock for every four shares of ONEOK common stock held by such shareholder at the close of business on the Record Date. ONEOK did not distribute any fractional shares to shareholders. Instead, fractional shares were aggregated and sold in the open market at prevailing market prices by Wells Fargo Bank, N.A., acting as distribution agent. Checks representing the pro rata share of the \$34.31 (U.S. Dollars) per share net proceeds of the sale of the aggregated fractional shares have been or will be sent to stockholders of record entitled to these proceeds.

With regard to Canadian resident shareholders, please note that ONEOK filed an application with the Canadian Revenue Agency (the "CRA") regarding the Distribution. Such application is intended to enable eligible Canadian resident stockholders to receive ONE Gas common stock in the Distribution on a tax-deferred basis under Section 86.1 of the *Income Tax Act* (Canada) (the "ITA") (with the exception of cash paid in lieu of any fractional shares). On May 2, 2014 ONEOK received notification from the CRA that the Distribution satisfies the requirements of Section 86.1 of the ITA. See attached letter from the Canada Revenue Agency.



May 2, 2014

ONEOK, Inc  
100 West Fifth Street  
Tulsa, Oklahoma  
74103, USA

To the attention of: Mr. Tim Blake

**RE: Spin-Off of ONE Gas Inc**

Mr. Tim Blake

We are replying to your correspondence dated February 21, 2014, in which was submitted information with regard to the tax treatment of the spin-off undertaken January 31, 2014 by ONEOK, Inc. of its subsidiary company ONE Gas, Inc.

Based on the information that you provided, the distribution meets the requirements of paragraph 86.1(2)(e) of the Income Tax Act (Canada). Since you have provided all of the information required under this paragraph and it was received within the time limits set out in the legislation, shareholders will be entitled to elect under section 86.1 in respect of the distribution.

However, if IRS reviews the distribution at a later date and determines the distribution taxable, we will reverse our decision.

We also acknowledge receipt of your consent to publish the fact that you have provided the information required to meet the conditions of paragraph 86.1(2)(e).

Should you have any questions, please do not hesitate to contact me at (418) 649-4993, extension 4304.

Yours truly,

Alain T Tremblay  
International Tax Division  
Quebec Taxation Services Office  
Canada Revenue Agency