

TRANSCANADA PIPELINES LTD
Form SUPPL
October 02, 2007

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SUBJECT TO COMPLETION, DATED OCTOBER 2, 2007

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these notes and are not soliciting an offer to buy these notes in any jurisdiction where the offer or sale is not permitted.

Preliminary Prospectus Supplement
(To Prospectus dated September 12, 2007)

TransCanada PipeLines Limited

US\$

% Senior Notes Due 2037

Interest payable _____ *and* _____

Issue price:

The notes will mature on _____, 2037. Interest will accrue from _____, 2007. We may redeem some or all of the notes at any time at the redemption price described under "Description of the notes Optional redemption" in this prospectus supplement.

Investing in the notes involves risk. See "Risk factors" on page S-6 of this prospectus supplement and on page 20 of the accompanying prospectus.

We are permitted, as a Canadian issuer under a multijurisdictional disclosure system adopted by the United States, to prepare this prospectus supplement and the accompanying prospectus in accordance with Canadian disclosure requirements. You should be aware that such requirements are different from those of the United States. The financial statements included or incorporated by reference herein have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") and are subject to Canadian auditing and auditor independence standards, and as a result may not be comparable to financial statements of United States companies. Information regarding the impact upon the Corporation's financial statements of significant differences between Canadian and United States generally accepted accounting principles is contained in the Corporation's restated audited related supplemental note entitled "Restated Reconciliation to United States GAAP" as at December 31, 2006 and 2005 and for each of the years in the three year period ended December 31, 2006 and the unaudited related supplemental note entitled "Reconciliation to United States GAAP" as at June 30, 2007 and for the three and six month periods ended June 30, 2007 and 2006.

Owning the notes may have tax consequences for you both in the United States and Canada. This prospectus supplement and the accompanying prospectus may not describe these tax consequences fully. You should read the tax discussion under "Certain income tax considerations" in this prospectus supplement.

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Your ability to enforce civil liabilities under the United States federal securities laws may be affected adversely because we are incorporated or organized under the laws of Canada, some or all of our officers and directors may be residents of Canada, some or all of the experts named in this prospectus supplement or the accompanying prospectus may be residents of Canada and a substantial portion of our assets and all or a substantial portion of the assets of those officers, directors and experts may be located outside of the United States.

Neither the Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

	Price To Public	Underwriting Commission	Proceeds
Per Note	%	%	%
Total	US\$	US\$	US\$

The public offering price set forth above does not include accrued interest, if any.

We expect to deliver the notes to investors through the book-entry delivery system of The Depository Trust Company and its direct and indirect participants, including Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme, Luxembourg, on or about , 2007.

Joint Book-Running Managers

JPMorgan

HSBC

Co-Managers

Citi

Deutsche Bank Securities

Lazard Capital Markets

Mizuho Securities USA Inc.

SOCIETE GENERALE

The date of this prospectus supplement is , 2007.

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Important notice about information in this prospectus supplement and accompanying prospectus

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the notes we are offering. The second part, the base shelf prospectus, gives more general information, some of which may not apply to the notes we are offering. The accompanying base shelf prospectus, dated September 12, 2007, is referred to as the "prospectus" in this prospectus supplement. References in this prospectus supplement to "we", "us", "our", or the "Corporation" refer to TransCanada PipeLines Limited and not to any of its parent or subsidiary companies.

If the description of the notes varies between this prospectus supplement and the prospectus, you should rely on the information in this prospectus supplement.

Exchange rate data

We publish our consolidated financial statements in Canadian dollars. In this prospectus supplement, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars and references to "Cdn.\$" or "\$" are to Canadian dollars and references to "US\$" are to United States dollars.

The following table sets forth certain exchange rates based on the noon buying rate in Toronto, Ontario as reported by the Bank of Canada. Such rates are set forth as United States dollars per Cdn.\$1.00 and are the inverse of rates quoted by the Bank of Canada for Canadian dollars per US\$1.00. On September 28, 2007, the inverse of the noon buying rate was US\$1.0037 per Cdn.\$1.00.

	Six months ended June 30,		Year ended December 31,	
	2007	2006	2006	2005
High	0.9491	0.9134	0.9099	0.8690
Low	0.8419	0.8479	0.8528	0.7872
Average ⁽¹⁾	0.8915	0.8843	0.8846	0.8281
Period end	0.9404	0.8969	0.8581	0.8577

(1) The average of the daily exchange rates on the last day of each month during the applicable period.

Special note regarding forward-looking statements

This prospectus supplement and the prospectus and the documents incorporated by reference herein and therein include "forward-looking statements" within the meaning of securities laws, including the "safe harbor" provisions of the Securities Act (Alberta), the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 27A of the United States Securities Act of 1933, as amended (the "Securities Act"). All forward-looking statements are based on our beliefs as well as assumptions made by and information currently available to us and relate to, among other things, anticipated financial performance, business prospects, strategies, regulatory developments, new services, market forces, commitments and technological developments. Forward-looking statements may be identified by the use of words like "believes", "intends", "expects", "may", "will", "should", or "anticipates", or the negative equivalents of those words or comparable terminology, and by discussions of strategies that involve risks and uncertainties.

The risks and uncertainties of our business, including those discussed and incorporated by reference herein and in the prospectus and as described under "Risk Factors" in the Annual Information Form (as defined herein), could cause our actual results and experience to differ materially from the anticipated results or other expectations expressed. The material assumptions in making these forward-looking statements are disclosed in the 2006 MD&A (as defined herein), as may be modified or superseded by documents incorporated or deemed to be incorporated by reference herein, under the headings "TCPL's Strategy", "Pipelines Opportunities and Developments", "Pipelines Outlook", "Energy Opportunities and Developments" and "Energy Outlook" and comparable sections in the Interim MD&A (as defined herein). In addition, we base forward-looking statements on assumptions about future events, which may not prove to be accurate. In light of these risks, uncertainties and assumptions, prospective investors should not place undue reliance on forward-looking statements and should be aware that the events described in the forward-looking statements set out in this prospectus supplement and the documents incorporated by reference in this prospectus supplement and the prospectus may not occur.

We cannot assure prospective investors that our future results, levels of activity and achievements will occur as we expect, and neither we nor any other person assumes responsibility for the accuracy or completeness of the forward-looking statements. Except as required by law, we assume no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Where you can find more information

We have filed with the SEC, under the Securities Act, a registration statement on Form F-9 relating to the notes. This prospectus supplement and the prospectus, which constitute a part of the registration statement, do not contain all of the information contained in the registration statement, certain items of which are contained in the exhibits to the registration statement as permitted by the rules and regulations of the SEC. Statements included or incorporated by reference in this prospectus supplement and the prospectus about the contents of any contract, agreement or other documents referred to are not necessarily complete, and in each instance, prospective investors should refer to the exhibits for a complete description of the matter involved. Each such statement is qualified in its entirety by such reference.

We file annual and quarterly financial information and material change reports and other material with the securities commissions or similar regulatory authorities in each of the provinces and territories of Canada and with the SEC. Under the multijurisdictional disclosure system adopted by the United States, documents and other information that we file with the SEC may be prepared in accordance with the disclosure requirements of Canada, which are different from those of the United States. Prospective investors may read and download any public document that we have filed with the securities commissions or similar authorities in each of the provinces and territories of Canada on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com. Prospective investors may read and copy any document we have filed with the SEC at the SEC's public reference room in Washington D.C., and may also obtain copies of those documents from the public reference room of the SEC at 100 F Street, N.E., Washington, D.C. 20549 by paying a fee. In addition, prospective investors may read and download some of the documents we have filed with the SEC's Electronic Data Gathering, Analysis and Retrieval system ("EDGAR") at www.sec.gov.

Documents incorporated by reference

This prospectus supplement is deemed, as of the date hereof, to be incorporated by reference into the prospectus only for the purposes of the offering of the notes offered hereunder. Other documents are also incorporated or deemed to be incorporated by reference into the prospectus and reference should be made to the prospectus for full details.

The following documents, which were filed by us with the securities commission or similar authority in each of the provinces and territories of Canada and with the SEC, are specifically incorporated by reference into and form an integral part of this prospectus supplement and the prospectus:

- (a) Audited comparative consolidated financial statements as at December 31, 2006 and 2005 and for each of the years in the three year period ended December 31, 2006, the notes thereto, and the auditors' report thereon;
- (b) Management's discussion and analysis of financial condition and results of operations as at and for the year ended December 31, 2006 (the "2006 MD&A");
- (c) Annual Information Form for the year ended December 31, 2006 dated February 22, 2007 (the "Annual Information Form");
- (d) Restated audited related supplemental note entitled "Restated Reconciliation to United States GAAP" as at December 31, 2006 and 2005 and for each of the years in the three year period ended December 31, 2006 and the auditors' report thereon;
- (e) Comments by Auditors for United States Readers on Canada-United States Reporting Differences, dated February 22, 2007;
- (f) Management's Report on Internal Control over Financial Reporting, dated February 22, 2007 and the auditors' report thereon;
- (g) Unaudited interim comparative consolidated financial statements as at June 30, 2007 and December 31, 2006 and for the three and six month periods ended June 30, 2007 and 2006 and the notes thereto;
- (h) Management's discussion and analysis of financial condition and results of operations as at and for the three and six month periods ended June 30, 2007 (the "Interim MD&A", and together with the 2006 MD&A, the "MD&A"); and
- (i) Unaudited related supplemental note entitled "Reconciliation to United States GAAP" as at June 30, 2007 and for the three and six month periods ended June 30, 2007 and 2006.

Any documents of the type referred to above, including all annual information forms, all information circulars, all annual and interim financial statements and management's discussion and analysis relating thereto, all material change reports (excluding confidential material change reports), press releases containing financial information for financial periods more recent than the most recent annual or interim financial statements, any business acquisition reports, all updated earnings coverage ratio information, as well as all prospectus supplements disclosing additional or updated information subsequently filed by us with the Alberta Securities Commission after the date of this prospectus supplement and prior to the

termination of any offering hereunder shall be deemed to be incorporated by reference into the prospectus. These documents are available through the internet on SEDAR, which can be accessed at www.sedar.com. In addition, any similar documents filed by us with the SEC in our periodic reports on Form 6-K or annual report on Form 40-F, and any other documents filed with or furnished to the SEC pursuant to Section 13(a), 13(c) or 15(d) of the Exchange Act, in each case after the date of this prospectus supplement, shall be deemed to be incorporated by reference into this prospectus supplement and the registration statement of which this prospectus supplement forms a part, if and to the extent expressly provided in such reports. Our periodic reports on Form 6-K and our annual reports on Form 40-F are available on the SEC's web site at www.sec.gov.

Any statement contained in the prospectus, this prospectus supplement or in a document incorporated or deemed to be incorporated by reference in the prospectus or this prospectus supplement shall be deemed to be modified or superseded, for the purposes of the prospectus and this prospectus supplement, to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of the prospectus or this prospectus supplement, except as so modified or superseded.

Risk factors

Before making an investment decision, investors should carefully consider the risks and uncertainties described below and under the heading "Risk Factors" in the accompanying prospectus and in our Annual Information Form for the year ended December 31, 2006, dated February 22, 2007 and incorporated by reference herein. These risks and uncertainties are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. If any such risks actually occur, our business, financial condition and operating results could be materially harmed.

Risks related to the notes

There is no market through which the notes may be sold.

There is no market through which the notes may be sold and purchasers may not be able to resell notes purchased under this prospectus supplement and the prospectus. This may adversely affect the pricing of the notes in the secondary market, the transparency and availability of trading prices, the liquidity of the notes, and the extent of issuer regulation.

The Corporation

We operate primarily in two business segments: Pipelines and Energy. The Pipelines segment is principally comprised of our pipelines in Canada, the United States and Mexico and our natural gas storage business in the United States. The Energy segment includes our power operations in Canada and the United States, natural gas storage business in Canada and liquefied natural gas projects in Canada and the United States.

Our significant subsidiaries as of December 31, 2006 are listed under the heading "TransCanada PipeLines Limited Significant Subsidiaries" in the Annual Information Form. The Corporation's registered office and head office are located at 450 - 1st Street S.W., Calgary, Alberta, Canada, T2P 5H1.

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Selected consolidated financial data

The following table sets forth selected consolidated financial data and other data as at the dates or for the periods indicated. Our consolidated financial statements have been prepared in accordance with Canadian GAAP. The financial data should be read in conjunction with our consolidated financial statements and the related notes and MD&A included in the documents described under "Documents incorporated by reference" in this prospectus supplement. Historical results are not necessarily indicative of the results that may be expected for any future period.

	Six months ended June 30,		Year ended December 31,	
	2007	2006	2006	2005
	(unaudited)		(audited)	
	(millions of dollars)			
Consolidated statement of earnings data:				
Revenues	\$ 4,461	\$ 3,579	\$ 7,520	\$ 6,124
Operating expenses				
Plant operating costs and other	1,493	1,103	2,411	1,825
Commodity purchases resold	1,103	842	1,707	1,232
Depreciation	590	523	1,059	1,017
	3,186	2,468	5,177	4,074
	1,275	1,111	2,343	2,050
Other expenses/(income)				
Income from equity investments	(11)	(24)	(33)	(247)
Financial charges ⁽¹⁾	481	391	797	840
Gains on sale of assets		(23)	(23)	(445)
Income from continuing operations before income taxes and non-controlling interests	805	767	1,602	1,902
Income taxes	240	243	475	610
Non-controlling interests	37	25	56	62
Net income from continuing operations	528	499	1,071	1,230
Net income from discontinued operations		28	28	
Net income	528	527	1,099	1,230
Preferred share dividends	11	11	22	22
Net income applicable to common shares	\$ 517	\$ 516	\$ 1,077	\$ 1,208

(1)

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Includes financial charges of joint ventures and interest and other income.

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	Six months ended June 30,		Year ended December 31,	
	2007	2006	2006	2005
	(unaudited)		(audited)	
	(millions of dollars)			
Cash flow data:⁽¹⁾				
Funds generated from operations	\$ 1,170	\$ 1,055	\$ 2,374	\$ 1,950
Decrease/(increase) in operating working capital	126	(93)	(300)	(48)
Net cash provided by operations	\$ 1,296	\$ 962	\$ 2,074	\$ 1,902
Capital expenditures and acquisitions ⁽²⁾	\$ (4,916)	\$ (988)	\$ (2,042)	\$ (2,071)
Dividends on common and preferred shares	(349)	(316)	(639)	(608)

(1) We use the measure "funds generated from operations". This measure does not have any standardized meaning in Canadian GAAP and is therefore not considered to be a Canadian GAAP measure. This measure may not be comparable to similar measures presented by other entities. This measure has been used to provide potential investors with additional information on our liquidity and our ability to generate funds to finance our operations.

Funds generated from operations is comprised of net cash provided by operations before changes in operating working capital. A reconciliation of funds generated from operations to net cash provided by operations is presented in the MD&A incorporated herein by reference.

(2) Does not include proceeds from disposition of assets.

	As at June 30,		As at December 31,	
	2007	2006	2006	2005
	(unaudited)		(audited)	
	(millions of dollars)			
Balance sheet data:				
Cash and short-term investments	\$ 325	\$ 401	\$ 212	
Total assets				
Pipelines	22,753	18,320	17,872	
Energy	6,509	6,500	5,303	
Corporate	1,045	1,088	938	
Total assets	\$ 30,307	\$ 25,908	\$ 24,113	
Notes payable	\$ 209	\$ 467	\$ 962	
Current portion of long-term debt	759	616	393	
Current portion of long-term debt of joint ventures	32	142	41	
Long-term debt	11,766	10,887	9,640	

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Long-term debt of joint ventures	913	1,136	937
Junior subordinated notes	1,050		
Preferred securities	489	536	536
Preferred shares	389	389	389
Common shareholders' equity	9,027	7,618	7,164

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Use of proceeds

We estimate that the net proceeds of the offering of the notes, after deducting the estimated expenses of the offering and the underwriting discounts, will be approximately US\$ million. We intend to use the net proceeds of this offering to repay short-term indebtedness and for other general corporate purposes.

Earnings coverage

The following financial ratios have been calculated on a consolidated basis for the respective 12 month periods ended December 31, 2006 and June 30, 2007 and are based on audited financial information in the case of the 12 month period ended December 31, 2006 and unaudited financial information in the case of the 12 month period ended June 30, 2007. The following ratios give pro forma effect to the issuance of the notes pursuant to this prospectus supplement, the redemption on July 5, 2007 of US\$460 million aggregate principal amount of 8.25% preferred securities and the redemption on September 1, 2007 of £25 million aggregate principal amount of 16.50% First Mortgage Pipe Line Bonds. Adjustments for other normal course issuances and repayments of long-term debt subsequent to June 30, 2007 would not materially affect the ratios and, as a result, have not been made. The financial ratios have been calculated based on financial information prepared in accordance with Canadian GAAP.

	June 30, 2007	December 31, 2006
Earnings coverage on long-term debt	times	times
Earnings coverage on long-term debt and First Preferred Shares	times	times

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Description of the notes

The notes will be issued under an amended and restated debt indenture, dated as of November 30, 2000, as supplemented or amended from time to time (the "Indenture"), between us and The Bank of New York, as Trustee. The following summary of certain provisions of the Indenture and the notes does not purport to be complete and is qualified in its entirety by reference to the actual provisions of the Indenture.

The following description of the terms of the notes offered hereby supplements, and to the extent inconsistent therewith supersedes, the description of the general terms and provisions of debt securities set forth under the heading "Description of Debt Securities" in the accompanying prospectus, and should be read in conjunction with that description.

General

The trustee under the Indenture shall be referred to herein as the "Trustee", which term shall include, unless the context otherwise requires, its successors and assigns. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture. The term "debt securities", as used in this prospectus supplement, refers to all debt securities issued and issuable from time to time under the Indenture and includes the notes.

The notes will be issued under the Indenture in a single series in an aggregate principal amount of US\$. The notes will mature on , 2037. The notes will bear interest at a rate of % per year. Interest will be payable semi-annually on and of each year, commencing , 2008, to the persons in whose names the notes are registered at the close of business on the preceding or , respectively. The principal and interest on the notes will be paid in lawful money of the United States in the manner and on terms set out in the Indenture.

We may from time to time without notice to, or the consent of, the holders of the notes, create and issue additional notes under the Indenture, equal in rank to the notes in all respects so that the new notes may be consolidated and form a single series with the notes and have the same terms as to status, redemption and otherwise as the notes issued under this prospectus supplement.

The notes will be our direct unsecured obligations issued under the Indenture and will rank equally with all of our other unsecured and unsubordinated indebtedness other than preferred claims imposed by statute. In addition, our business operations are conducted in part through our subsidiaries and through joint ventures. As a result, the notes will be effectively subordinated to all existing and future liabilities of our subsidiaries and joint ventures. As at June 30, 2007, the long-term debt (excluding guarantees and intercompany obligations between us and our subsidiaries) of our wholly owned subsidiaries totaled approximately \$3.3 billion. At June 30, 2007, as determined under Canadian GAAP, our total consolidated long-term debt, long-term debt due within one year and amount of outstanding preferred securities was, in aggregate principal amount, approximately \$14.1 billion (excluding our proportionate share of long-term debt of joint ventures). There are no terms of the Indenture that limit our or our subsidiaries' or joint ventures' ability to incur additional indebtedness, including in the case of us and our subsidiaries and joint ventures, indebtedness that ranks,

either effectively or by contract, senior to the notes. See "Description of Debt Securities Unsubordinated Debt" and "Description of Debt Securities Certain Covenants of the Corporation" in the accompanying prospectus.

The notes will be denominated in United States dollars and payments of principal (and premium, if any) and interest on the notes will be made in United States dollars.

The notes will not be entitled to any benefits of a sinking fund.

Optional redemption

The notes will be redeemable, in whole or in part, at our option at any time or from time to time at a redemption price equal to the greater of:

100% of the principal amount of the notes to be redeemed, and

as determined by the Quotation Agent (as defined below), the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed (not including any portion of the payments of interest accrued as of the date of redemption), discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate (as defined below) plus basis points,

plus, in either case, accrued interest thereon to the date of redemption.

Notice of any redemption will be delivered by first-class mail at least 30 days, but not more than 60 days, before the redemption date to each holder of the notes to be redeemed.

Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the notes or portions of the notes called for redemption.

"Adjusted Treasury Rate" means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity or interpolated (on a day count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the redemption date.

"Business Day" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in The City of New York.

"Comparable Treasury Issue" means the United States Treasury security or securities selected by the Quotation Agent as having an actual or interpolated maturity comparable to the remaining term of the notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the notes.

"Comparable Treasury Price" means, with respect to any redemption date, (i) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (ii) if fewer than four such Reference Treasury Dealer Quotations are obtained, the average of all such quotations.

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"*Quotation Agent*" means one of the Reference Treasury Dealers, which is appointed by us.

"*Reference Treasury Dealer*" means J.P. Morgan Securities Inc. and HSBC Securities (USA) Inc. plus three others or their affiliates which are primary U.S. Government securities dealers and their respective successors, provided, however, that if any of the foregoing or their affiliates shall cease to be a primary U.S. Government securities dealer in New York City (a "Primary Treasury Dealer"), we shall substitute another Primary Treasury Dealer.

"*Reference Treasury Dealer Quotations*" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Quotation Agent by such Reference Treasury Dealer at 3:30 p.m. (New York time) on the third Business Day preceding such redemption date.

Payment of principal and interest

Payments of principal of, and premium, if any, and interest on, the notes will be made by us through the Trustee to the Depository (as defined below). See "Description of the notes Book-entry system."

Interest payments for the notes will include accrued interest from and including the date of issue or from and including the last date in respect of which interest has been paid, as the case may be, to, but excluding, the interest payment date or the date of maturity, as the case may be. If any interest payment date or the maturity date of the notes falls on a day that is not a Business Day, the related payment of principal, premium, if any, or interest will be postponed to the next succeeding Business Day, and no interest on such payment will accrue for the period from and after such interest payment date or the maturity date, as the case may be.

Book-entry system

Upon issuance, the notes will be represented by one or more fully registered global securities (the "Global Securities") registered in the name of Cede & Co. (the nominee of The Depository Trust Company (the "Depository")), or such other name as may be requested by an authorized representative of the Depository. The authorized denominations of each note will be US\$1,000 and integral multiples thereof. The provisions set forth under "Description of Debt Securities Global Securities" in the accompanying prospectus will be applicable to the notes. Accordingly, notes may be transferred or exchanged only through the Depository and its participants. Except as described under "Description of Debt Securities Global Securities" in the accompanying prospectus, owners of beneficial interests in the Global Securities will not be entitled to receive notes in definitive form.

Beneficial interests in the notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in the Depository. Investors may elect to hold interests in the notes in global form through either the Depository in the United States or Clearstream Banking, société anonyme ("Clearstream, Luxembourg"), or the Euroclear System ("Euroclear"), if they are participants in those systems, or indirectly through organizations which are participants in those systems. Clearstream, Luxembourg and Euroclear will hold interests on behalf of their participants through customers' securities accounts in Clearstream, Luxembourg's and Euroclear's names on the

books of their respective depositories, which in turn will hold such interests in customers' securities accounts in the depositories' names on the books of the Depository.

Each person owning a beneficial interest in a Global Security must rely on the procedures of the Depository and, if such person is not a participant, on the procedures of the participant through which such person owns its interest in order to exercise any rights of a holder under the Indenture. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in certificated form. Such limits and such laws may impair the ability to transfer beneficial interests in a Global Security representing the notes.

The following is based on information furnished by the Depository:

The Depository is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. The Depository holds securities that its participants ("Participants") deposit with the Depository. The Depository also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. These direct Participants ("Direct Participants") include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. The Depository is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the Depository's system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The rules applicable to the Depository and its Participants are on file with the SEC.

Purchases of the notes under the Depository's system must be made by or through Direct Participants, which will receive a credit for such notes on the Depository's records. The ownership interest of each actual purchaser of each note represented by a Global Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from the Depository of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in a Global Security representing notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners of a Global Security representing the notes will not receive notes in definitive form representing their ownership interests therein, except in the event that use of the book-entry system for such notes is discontinued.

To facilitate subsequent transfers, the Global Securities representing the notes which are deposited with the Depository are registered in the name of the Depository's nominee, Cede & Co., or such other name as may be requested by an authorized representative of the Depository. The deposit of Global Securities with the Depository and their registration in the name of Cede & Co. or such other nominee effect no change in beneficial ownership. The

Depository has no knowledge of the actual Beneficial Owners of the Global Securities representing the notes; the Depository's records reflect only the identity of the Direct Participants to whose accounts such notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by the Depository to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither the Depository nor Cede & Co. (nor such other nominee of the Depository) will consent or vote with respect to the Global Securities representing the notes. Under its usual procedures, the Depository mails an "omnibus proxy" to us as soon as possible after the applicable record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the notes are credited on the applicable record date (identified in a listing attached to the omnibus proxy).

Principal, premium, if any, and interest payments on the Global Securities representing the notes will be made to Cede & Co. (or such other nominee as may be requested by an authorized representative of the Depository). The Depository's practice is to credit Direct Participants' accounts, upon the Depository's receipt of funds and corresponding detailed information from us or the applicable Trustee, on the applicable payment date in accordance with their respective holdings shown on the Depository's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of the Depository, the applicable Trustee or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of the Depository) is the responsibility of us or the applicable Trustee, disbursement of such payments to Direct Participants shall be the responsibility of the Depository, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

The Depository may discontinue providing its services as securities depository with respect to the notes at any time by giving reasonable notice to us or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, notes in definitive form are required to be printed and delivered to each holder.

We may decide to discontinue use of the system of book-entry transfers through the Depository (or a successor securities depository). In that event, notes in definitive form will be printed and delivered.

Clearstream, Luxembourg advises that it is incorporated under the laws of Luxembourg as a professional depository. Clearstream, Luxembourg holds securities for its participating organizations ("Clearstream participants"), and facilitates the clearance and settlement of securities transactions between Clearstream participants through electronic book-entry changes in accounts of Clearstream participants, thereby eliminating the need for physical movement of certificates. Clearstream Luxembourg provides to Clearstream participants, among

other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg interfaces with domestic markets in several countries. As a professional depositary, Clearstream, Luxembourg is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector (Commission de Surveillance du Secteur Financier). Clearstream participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations and may include the underwriters. Indirect access to Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream participant, either directly or indirectly.

Distributions with respect to interests in the notes held beneficially through Clearstream, Luxembourg will be credited to cash accounts of Clearstream participants in accordance with its rules and procedures, to the extent received by the Depositary for Clearstream, Luxembourg.

Euroclear advises that it was created in 1968 to hold securities for participants of Euroclear ("Euroclear participants"), and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V. ("Euroclear Operator"). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the underwriters. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (collectively, the "Terms and Conditions"). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payment with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear participants, and has no records of or relationship with persons holding through Euroclear participants.

Distributions with respect to the notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the Terms and Conditions, to the extent received by the Depositary for Euroclear.

The information in this section concerning the Depositary and the Depositary's book-entry system, Clearstream, Luxembourg and Euroclear has been obtained from sources that we believe to be reliable, but is subject to any changes to the arrangements between us and the Depositary and any changes to such procedures that may be instituted unilaterally by the Depositary, Clearstream, Luxembourg and Euroclear.

Certain income tax considerations

Certain U.S. income tax considerations

The following is a general summary of certain U.S. federal income tax consequences of the purchase, ownership and disposition of the notes by U.S. Holders (as defined below). The summary is for general information only and is based on the U.S. Internal Revenue Code of 1986, as amended (the "Code"), the Treasury regulations promulgated or proposed thereunder, and judicial and administrative interpretations thereof, all as in effect on the date hereof and all of which are subject to change (possibly with retroactive effect). The U.S. federal income tax treatment of a holder of the notes may vary depending upon the particular situation of the holder. Certain holders (including, but not limited to, insurance companies, tax-exempt organizations, financial institutions, persons subject to the alternative minimum tax, U.S. persons whose functional currency is not the U.S. dollar, holders that are not U.S. Holders, traders in securities that elect mark-to-market accounting treatment, broker-dealers in securities or holders who will hold the notes as a hedge against currency risks or as part of a straddle, synthetic security, conversion transaction, or other integrated investment comprised of the notes and one or more other investments) may be subject to special rules not discussed below. The following summary is applicable only to purchasers of the notes on original issue at the issue price and does not address other purchasers. In addition, the summary is limited to investors who will hold the notes as "capital assets" within the meaning of Section 1221 of the Code. The discussion below also does not address the effect of any state, local or non-U.S. law on a holder of the notes.

As used herein, the term "U.S. Holder" means a beneficial owner of a note that is for U.S. federal income tax purposes:

an individual who is a citizen or resident of the United States;

a corporation or other entity treated as a corporation for U.S. federal income tax purposes organized in or under the laws of the United States, any state thereof, or the District of Columbia;

an estate that is subject to U.S. federal income taxation without regard to the source of its income; or

a trust if, in general, (i) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or (ii) the trust has elected to be treated as a U.S. person.

If a partnership (including for this purpose any other entity, organized within or without the United States, treated as a partnership for U.S. federal income tax purposes) holds notes, the tax treatment of a partner as beneficial owner of notes generally will depend on the status of the partner and the activities of the partnership.

The summary does not constitute, and should not be considered as, legal or tax advice to holders of notes. Each holder of the notes should consult a tax advisor as to the particular tax consequences to such holder of holding the notes, including the applicability and effect of any state, local or foreign tax laws.

Payments of interest

Interest on a note will be taxable to a U.S. Holder as ordinary interest income at the time it is accrued or is received in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes. Interest on the notes will constitute income from sources without the United States and generally will be "passive category" or "general category" income for purposes of computing the foreign tax credit allowable under the U.S. federal income tax laws.

Sale and retirement of the notes

A U.S. Holder will recognize a gain or loss on the sale or retirement of a note equal to the difference between the amount realized on the sale or retirement (except to the extent of accrued and unpaid interest, which will be taxable as such) and the U.S. Holder's tax basis in the note (generally, the price the U.S. Holder paid for the note). As a general rule, such gain or loss recognized on the sale or retirement of a note will be capital gain or loss and will be long-term capital gain or loss if the note was held for more than one year. Such income or loss will generally constitute income or loss from sources within the United States for purposes of computing the foreign tax credit allowable under the U.S. federal income tax laws.

For noncorporate U.S. Holders, including individuals, the excess of net long-term capital gains over net short-term capital losses generally is taxed at a lower rate (currently at a maximum rate of 15%) than ordinary income. The deductibility of capital losses is subject to limitations.

Backup withholding

A U.S. Holder of a note may be subject to backup withholding of U.S. federal income tax (currently at a rate of 28%) with respect to payments of principal and interest made on the note, or the proceeds of a sale or exchange of the note before maturity, unless such U.S. Holder (a) is a corporation or comes within certain other exempt categories and, when required, certifies to this fact or (b) provides a U.S. taxpayer identification number ("TIN"), certifies that such U.S. Holder is not subject to backup withholding, and otherwise complies with applicable requirements of the backup withholding rules. A U.S. Holder of a note that does not provide us with a correct U.S. TIN or an adequate basis for exemption may be subject to penalties imposed by the Internal Revenue Service ("IRS"). The backup withholding tax is not an additional tax and will be credited against a U.S. Holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

The U.S. federal income tax discussion set forth above is included for general information only and may not be applicable depending upon a holder's particular situation. Holders should consult their tax advisors regarding the tax consequences to them of the purchase, ownership and disposition of the notes, including the tax consequences under state, local, foreign and other tax laws.

Certain Canadian income tax considerations

In the opinion of Stikeman Elliott LLP, Canadian counsel to the Corporation, the following is a summary of the material Canadian federal income tax considerations generally applicable, as of the date of this prospectus supplement, to the acquisition, holding, disposition and redemption of the notes. This summary only addresses the tax consequences to purchasers who acquire the notes on their original issue pursuant to this prospectus supplement and who, at all relevant

times, for the purposes of the Income Tax Act (Canada) (the "Canada Tax Act") are not resident (and are not deemed to be resident) in Canada and deal at arm's length with the Corporation, and for the purposes of the Canada-United States Tax Convention (the "Canada-U.S. Treaty") are residents of the United States ("United States Resident Holders").

This summary is based upon the facts set out in this prospectus supplement, the current provisions of the Canada Tax Act and the regulations thereunder, the current provisions of the Canada-U.S. Treaty, all specific proposals (the "Tax Proposals") to amend the Canada Tax Act and the regulations thereunder publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, and counsel's understanding of the current published administrative practices of the Canada Revenue Agency. This summary is not exhaustive of all possible Canadian federal income tax considerations and assumes that the Tax Proposals will be enacted as currently proposed, but does not otherwise take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, and does not take into account tax legislation or considerations of any province or territory of Canada or any non-Canadian jurisdiction.

Under the Canada Tax Act, no Canadian tax will be required to be deducted or withheld from amounts paid or credited to a United States Resident Holder by the Corporation on the notes. No other taxes on income (including taxable capital gains) will be payable under the Canada Tax Act by a United States Resident Holder in respect of the acquisition, holding, disposition or redemption of the notes, provided that such United States Resident Holder does not have a "permanent establishment" or "fixed base" (both within the meaning of the Canada U.S. Treaty) in Canada to which such notes pertain, does not use or hold and is not deemed or considered to use or hold the notes in, or in the course of, carrying on a business in Canada and, in the case of a United States Resident Holder that carries on an insurance business in Canada and elsewhere, establishes that the notes are not effectively connected with its insurance business carried on in Canada.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular United States Resident Holder. Prospective United States Resident Holders should consult their own Canadian tax advisers with respect to the Canadian income tax consequences of purchasing notes pursuant to this offering.

Credit ratings

The notes have been rated A- by Standard & Poor's ("S&P"), A2 by Moody's Investors Service, Inc. ("Moody's") and A by DBRS Limited ("DBRS") (S&P, Moody's and DBRS are each a "Rating Agency"). The rating outlook from each of the Rating Agencies is stable. Credit ratings are intended to provide investors with an independent measure of credit quality of an issue of securities. The Rating Agencies' ratings for debt instruments range from a high of AAA to a low of D for both S&P and DBRS and, in the case of Moody's long-term issuer rating, from a high of Aaa to a low of C.

According to the S&P rating system, an obligation rated A is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong. The ratings from AA to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

According to the Moody's rating system, debt securities rated A possess many favorable investment attributes and are to be considered as upper-medium-grade obligations. Numerical modifiers 1, 2 and 3 are applied to each rating classification from Aa through Caa. Modifier 1 indicates that the obligation ranks in the higher end of its generic rating category, modifier 2 indicates a mid-range ranking and modifier 3 indicates a ranking in the lower end of that generic rating category.

According to the DBRS rating system, debt securities rated A are of satisfactory credit quality. Protection of interest and principal is still substantial, but the degree of strength is less than with AA rated entities. While a respectable rating, entities in the A category are considered to be more susceptible to adverse economic conditions and have greater cyclical tendencies than higher rated securities. "High" or "low" grades are used to indicate the relative standing within a rating category. The absence of either a "high" or "low" designation indicates the rating is in the "middle" of the category.

The credit ratings accorded to the notes by the Rating Agencies are not recommendations to purchase, hold or sell the notes inasmuch as such ratings do not comment as to market price or suitability for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a Rating Agency in the future if, in its judgment, circumstances so warrant. The lowering of any rating of the notes may negatively affect the quoted market price, if any, of the notes.

Underwriting

Subject to the terms and conditions of the underwriting agreement, dated October , 2007 among us and the underwriters named below, through their representatives J.P. Morgan Securities Inc. and HSBC Securities (USA) Inc., we have agreed to sell and the underwriters have severally agreed to purchase from us, as principals, the following respective principal amounts of notes listed opposite their names below at the public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus supplement subject to prior sale, if, as and when issued by us and accepted by the underwriters:

Underwriters	Principal amount of notes
J.P. Morgan Securities Inc.	US\$
HSBC Securities (USA) Inc.	
Citigroup Global Markets Inc.	
Deutsche Bank Securities Inc.	
Lazard Capital Markets LLC	