

ONEOK INC /NEW/  
Form S-4/A  
April 21, 2017  
Table of Contents

As filed with the Securities and Exchange Commission on April 21, 2017

Registration No. 333-216489

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Amendment No. 1  
to  
FORM S-4  
REGISTRATION STATEMENT  
*UNDER*  
*THE SECURITIES ACT OF 1933*

ONEOK, INC.

(Exact name of Registrant as specified in its charter)

|  |  |   |
|--|--|---|
| <b>Oklahoma</b><br>(State or other jurisdiction of<br>incorporation or organization) | <b>4923</b><br>(Primary Standard Industrial<br>Classification Code Number)<br>100 West Fifth Street<br>Tulsa, Oklahoma 74103<br>(918) 588-7000 | <b>73-1520922</b><br>(I.R.S. Employer<br>Identification Number) |
|--|--|---|

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**Stephen W. Lake**

**Senior Vice President, General Counsel and Assistant Secretary**

**ONEOK, Inc.**

**100 West Fifth Street**

**Tulsa, Oklahoma 74103**

**(918) 588-7000**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

*Copies to:*

**Frank E. Bayouth, Esq.**

**Skadden, Arps, Slate, Meagher & Flom LLP**

**1000 Louisiana, Suite 6800**

**Houston, Texas 77002**

**(713) 655-5100**

**Mike O Leary, Esq.**

**Jordan Hirsch, Esq.**

**Andrews Kurth Kenyon LLP**

**600 Travis St., Suite 4200**

**Houston, Texas 77002**

**(713) 220-4200**

**Approximate date of commencement of proposed sale of the securities to the public:** As soon as practicable after this Registration Statement becomes effective and all other conditions to the proposed merger contemplated by the Agreement and Plan of Merger, dated January 31, 2017, described in the enclosed proxy statement/prospectus, have been satisfied or waived.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company, and emerging growth company in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

**The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission (the SEC), acting pursuant to said Section 8(a), may determine.**



---

**Table of Contents**

**The information in this preliminary joint proxy statement/prospectus is not complete and may be changed. ONEOK, Inc. may not distribute or issue the securities being registered pursuant to this registration statement until the registration statement, as filed with the Securities and Exchange Commission (of which this preliminary joint proxy statement/prospectus is a part), is effective. This preliminary joint proxy statement/prospectus is not an offer to sell nor should it be considered a solicitation of an offer to buy the securities described herein in any state where the offer or sale is not permitted.**

**PRELIMINARY SUBJECT TO COMPLETION DATED APRIL 21, 2017**

**MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT**

On January 31, 2017, ONEOK, Inc., an Oklahoma corporation ( ONEOK ), New Holdings Subsidiary, LLC, a Delaware limited liability company ( Merger Sub ), ONEOK Partners, L.P., a Delaware limited partnership ( ONEOK Partners ), and ONEOK Partners GP, L.L.C., a Delaware limited liability company and the general partner of ONEOK Partners (the ONEOK Partners GP ), entered into an Agreement and Plan of Merger (the merger agreement ), pursuant to which ONEOK will acquire all of the outstanding common units representing limited partner interests in ONEOK Partners ( ONEOK Partners common units, and such holders of ONEOK Partners common units, ONEOK Partners common unitholders ) that ONEOK and its subsidiaries do not already own. Upon the terms and subject to the conditions set forth in the merger agreement, Merger Sub will be merged with and into ONEOK Partners (the merger ), with ONEOK Partners surviving as a wholly owned subsidiary of ONEOK. The conflicts committee of the board of directors of ONEOK Partners GP (the ONEOK Partners conflicts committee ) and the board of directors of ONEOK Partners GP (the ONEOK Partners board ) each have determined that the merger is fair and reasonable to, and in the best interests of, ONEOK Partners and the ONEOK Partners common unitholders other than ONEOK, ONEOK Partners GP and their affiliates (the ONEOK Partners unaffiliated unitholders ), and have unanimously approved the merger agreement and the merger.

If the merger is completed, each outstanding ONEOK Partners common unit not owned by ONEOK or its subsidiaries will be converted into the right to receive 0.985 (the exchange ratio ) of a share of common stock, par value \$0.01 per share, of ONEOK (the ONEOK common stock, and such consideration, the merger consideration ). Based on the closing price of ONEOK common stock on January 31, 2017, the last trading day before the public announcement of the merger, the aggregate value of the merger consideration was approximately \$9.3 billion. The exchange ratio is fixed and will not be adjusted on account of any change in price of either ONEOK common stock or ONEOK Partners common units prior to completion of the merger. No fractional shares of ONEOK common stock will be issued in the merger, and ONEOK Partners common unitholders will, instead, receive cash in lieu of fractional shares of ONEOK common stock. Holders of shares of ONEOK common stock (the ONEOK shareholders ) will continue to own their existing ONEOK common stock. Based on the estimated number of shares of ONEOK common stock and ONEOK Partners common units that will be outstanding immediately prior to the closing of the merger, upon the closing of the merger, former ONEOK Partners common unitholders will own approximately 44.5% and current ONEOK shareholders will own approximately 55.5% of the combined company, respectively.

ONEOK and ONEOK Partners will each hold special meetings of their shareholders and unitholders, respectively, in connection with the proposed merger. At the special meeting of ONEOK shareholders (the ONEOK special meeting ), the ONEOK shareholders will be asked to vote on the proposal to approve the issuance of ONEOK common stock to

ONEOK Partners common unitholders pursuant to the merger agreement (the ONEOK stock issuance proposal ), and to approve an amendment of ONEOK s amended and restated certificate of incorporation (the ONEOK certificate of incorporation ) to increase the number of authorized shares of common stock from 600,000,000 to 1,200,000,000 (the ONEOK charter amendment proposal ). Approval of the ONEOK stock issuance proposal requires the affirmative vote of a majority of the shares of ONEOK common stock voted at the ONEOK special meeting. Approval of the ONEOK charter amendment proposal requires the affirmative vote of holders of a majority of the outstanding shares of ONEOK common stock. At the special meeting of ONEOK Partners unitholders, the ONEOK Partners unitholders will be asked to vote on the proposal to approve the merger agreement (the merger proposal ). Approval of the merger proposal requires the affirmative vote of holders of a majority of the outstanding ONEOK Partners common units and Class B units, voting as a single class.

---

**Table of Contents**

**We cannot complete the merger unless the ONEOK shareholders approve the ONEOK stock issuance proposal and the ONEOK Partners unitholders approve the merger proposal. Accordingly, your vote is very important regardless of the number of shares of ONEOK common stock or ONEOK Partners common units you own. Voting instructions are set forth inside this joint proxy statement/prospectus.**

In light of the fact that certain ONEOK directors are on the ONEOK Partners board and certain ONEOK directors own ONEOK Partners common units, and certain provisions of the ONEOK certificate of incorporation regarding the ability of directors who are in any way interested in or connected to a party to a transaction with ONEOK to vote on the transaction, the ONEOK board formed a special committee of independent directors that neither sat on the ONEOK Partners board nor owned ONEOK Partners common units to consider and approve the transaction. The special committee of the board of directors of ONEOK recommends that the ONEOK shareholders vote FOR the ONEOK stock issuance proposal and FOR the adjournment of the ONEOK special meeting if necessary to solicit additional proxies at the time of the ONEOK special meeting if there are not sufficient votes to approve the matters to be considered at the special meeting. ONEOK shareholders should be aware that some of ONEOK's directors and executive officers may have interests in the merger that are different from, or in addition to, the interests they may have as ONEOK shareholders. See *The Merger* *Interests of Certain Persons in the Merger*. The board of directors of ONEOK recommends that ONEOK shareholders vote FOR the ONEOK charter amendment proposal.

The ONEOK Partners conflicts committee and the ONEOK Partners board each recommend that the ONEOK Partners unitholders vote FOR the merger proposal. The ONEOK Partners board recommends that the ONEOK Partners unitholders vote FOR the ONEOK Partners adjournment proposal. ONEOK Partners common unitholders should be aware that some of ONEOK Partners' directors and executive officers may have interests in the merger that are different from, or in addition to, the interests they may have as ONEOK Partners common unitholders. See *The Merger* *Interests of Certain Persons in the Merger*.

**This joint proxy statement/prospectus provides you with detailed information about the proposed merger and related matters. You are encouraged to read the entire document carefully. In particular, see *Risk Factors* beginning on page 22 of this joint proxy statement/prospectus for a discussion of risks relevant to the merger and ONEOK's business following the merger.**

Shares of ONEOK common stock are listed on the New York Stock Exchange ( NYSE ) under the symbol OKE, and ONEOK Partners common units are listed on the NYSE under the symbol OKS. The last reported sale price of ONEOK common stock on the NYSE on April 20, 2017 was \$53.79. The last reported sale price of ONEOK Partners common units on the NYSE on April 20, 2017 was \$52.68.

John W. Gibson

Chairman of the Board of Directors of

ONEOK, Inc. and ONEOK Partners GP, L.L.C.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this joint proxy statement/prospectus or has determined if this document is truthful or complete. Any representation to the contrary is a criminal offense.**

This joint proxy statement/prospectus is dated  
unitholders and ONEOK shareholders on or about

, 2017 and is being first mailed to ONEOK Partners  
, 2017.



Table of Contents

Tulsa, Oklahoma

, 2017

ONEOK, INC.

100 West Fifth Street

Tulsa, Oklahoma 74103

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

To the shareholders of ONEOK, Inc.:

A special meeting (the ONEOK special meeting ) of holders of shares of common stock ( ONEOK shareholders ) of ONEOK, Inc. ( ONEOK ) will be held on , 2017 at , local time, at ONEOK Plaza, 100 West Fifth Street, Tulsa, Oklahoma 74103, for the following purposes:

to consider and vote upon a proposal to approve the issuance (the ONEOK stock issuance ) of shares of common stock of ONEOK, par value \$0.01 per share ( ONEOK common stock ), in connection with the merger (the merger ) contemplated by the Agreement and Plan of Merger (the merger agreement ), dated as of January 31, 2017, by and among ONEOK, New Holdings Subsidiary, LLC, a Delaware limited liability company ( Merger Sub ), ONEOK Partners, L.P., a Delaware limited partnership ( ONEOK Partners ), and ONEOK Partners GP, L.L.C., a Delaware limited liability company and the general partner of ONEOK Partners (the ONEOK Partners GP ) (the ONEOK stock issuance proposal );

to approve an amendment of ONEOK s amended and restated certificate of incorporation to increase the number of authorized shares of common stock from 600,000,000 to 1,200,000,000 (the ONEOK charter amendment proposal ); and

to vote on a proposal to approve the adjournment of the ONEOK special meeting to a later date or dates, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the above proposals (the ONEOK adjournment proposal ).

Approval of the ONEOK stock issuance proposal requires the affirmative vote of a majority of the shares of ONEOK common stock voted at the ONEOK special meeting, and approval of the ONEOK adjournment proposal requires the affirmative vote of holders of a majority of the shares of ONEOK common stock present in person or represented by proxy at the ONEOK special meeting and entitled to vote thereon. **We cannot complete the merger unless the holders of shares of ONEOK common stock (the ONEOK shareholders ) approve the ONEOK stock issuance proposal. Accordingly, your vote is very important regardless of the number of ONEOK common stock you own.**

A special committee (the ONEOK special committee ) of the board of directors of ONEOK (the ONEOK board ) comprised of independent directors unanimously determined that the merger, the merger agreement, and the

**transactions contemplated thereby, including the ONEOK stock issuance, are advisable and fair to, and in the best interests of, ONEOK and the ONEOK shareholders. The ONEOK special committee unanimously approved the merger, the merger agreement and the transactions contemplated thereby, including the ONEOK stock issuance, and recommends that the ONEOK shareholders vote FOR the ONEOK stock issuance proposal and FOR the ONEOK adjournment proposal.**

ONEOK shareholders should be aware that some of ONEOK's directors and executive officers may have interests in the merger that are different from, or in addition to, the interests they may have as ONEOK shareholders. See The Merger Interests of Certain Persons in the Merger.

**Table of Contents**

Approval of the ONEOK charter amendment proposal requires the affirmative vote of holders of a majority of the outstanding shares of ONEOK common stock. Completion of the merger is not conditioned upon approval of the ONEOK charter amendment proposal. However, even if the ONEOK shareholders approve the ONEOK charter amendment proposal, ONEOK will not file with the Secretary of State of the State of Oklahoma the amendment to ONEOK's amended and restated certificate of incorporation (the ONEOK certificate of incorporation) to increase the number of authorized shares of common stock from 600,000,000 to 1,200,000,000 unless the merger is completed.

**The ONEOK board unanimously determined that the ONEOK charter amendment proposal is advisable and in the best interests of ONEOK and the ONEOK shareholders. The ONEOK board unanimously approved the ONEOK charter amendment proposal and recommends that the ONEOK shareholders vote FOR the ONEOK charter amendment proposal.**

Only ONEOK shareholders of record at the close of business on \_\_\_\_\_, 2017 are entitled to notice of and to vote at the ONEOK special meeting. A list of shareholders entitled to vote at the ONEOK special meeting will be available for inspection at ONEOK's offices in Tulsa, Oklahoma for any purpose relevant to the ONEOK special meeting during normal business hours for a period of ten days before the meeting and at the ONEOK special meeting. References to the ONEOK special meeting in this joint proxy statement/prospectus are to such special meeting as may be adjourned or postponed.

**YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU EXPECT TO ATTEND THE ONEOK SPECIAL MEETING, PLEASE SUBMIT YOUR PROXY IN ONE OF THE FOLLOWING WAYS:**

If you hold your ONEOK common stock in the name of a bank, broker or other nominee, you should follow the instructions provided by your bank, broker or other nominee when voting your ONEOK common stock.

If you hold your ONEOK common stock in your own name, you may submit your proxy by:

using the toll-free telephone number shown on the proxy card;

using the Internet website shown on the proxy card; or

marking, signing, dating and promptly returning the enclosed proxy card in the postage-paid envelope. It requires no postage if mailed in the United States.

The enclosed joint proxy statement/prospectus provides a detailed description of the merger and the merger agreement as well as a description of the ONEOK stock issuance proposal and the ONEOK charter amendment proposal. You are urged to read this joint proxy statement/prospectus, including any documents incorporated by reference, and the Annexes carefully and in their entirety. If you have any questions concerning the merger or this joint proxy statement/prospectus, would like additional copies or need help voting your ONEOK common stock, please contact ONEOK's proxy solicitor:

Morrow Sodali LLC

Edgar Filing: ONEOK INC /NEW/ - Form S-4/A

470 West Avenue

Stamford, CT 06902

Banks and Brokers Call: (203) 658-9400

All Others Call Toll Free: (800) 662-5200

Email: ONEOKinfo@morrowsodali.com

By order of the special committee of the Board of Directors of

ONEOK, Inc.,

Terry K. Spencer

President and Chief Executive Officer

ONEOK, Inc.

Table of Contents

Tulsa, Oklahoma

, 2017

ONEOK Partners, L.P.

100 West Fifth Street

Tulsa, Oklahoma 74103

NOTICE OF SPECIAL MEETING OF UNITHOLDERS

To the common unitholders of ONEOK Partners, L.P.:

A special meeting (the ONEOK Partners special meeting ) of unitholders of ONEOK Partners, L.P. ( ONEOK Partners ) will be held on , 2017 at , local time, at ONEOK Plaza, 100 West Fifth Street, Tulsa, Oklahoma 74103, for the following purposes:

to consider and vote upon a proposal to approve the Agreement and Plan of Merger (the merger agreement ), dated as of January 31, 2017, by and among ONEOK, Inc. ( ONEOK ), New Holdings Subsidiary, LLC ( Merger Sub ), ONEOK Partners, and ONEOK Partners GP, L.L.C. ( ONEOK Partners GP ) the general partner of ONEOK Partners (the merger proposal ); and

to vote on a proposal to approve the adjournment of the ONEOK Partners special meeting to a later date or dates, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the above proposal (the ONEOK Partners adjournment proposal ).

Approval of the merger proposal requires the affirmative vote of holders of a majority of the outstanding common units representing limited partner interests in ONEOK Partners ( ONEOK Partners common units ) and ONEOK Partners Class B units, voting as a single class. The ONEOK Partners adjournment proposal requires approval by (i) if a quorum does not exist, the affirmative vote of holders of a majority of the outstanding ONEOK Partners common units and Class B units, voting as a single class, entitled to vote represented in person or by proxy at the ONEOK Partners special meeting or (ii) if a quorum does exist, the affirmative vote of holders of a majority of the outstanding ONEOK Partners common units and Class B units, voting as a single class. **We cannot complete the merger unless the ONEOK Partners unitholders approve the merger proposal. Accordingly, your vote is very important regardless of the number of ONEOK Partners common units you own.**

**The conflicts committee (which consists of the three members of ONEOK Partners board who are independent under ONEOK Partners governance guidelines and the listing standards of the NYSE and who are not also executive officers or members of the board of directors of ONEOK) of the board of directors of ONEOK Partners GP, L.L.C. (the ONEOK Partners conflicts committee ) and the board of directors of ONEOK Partners GP, L.L.C. (the ONEOK Partners board ) each have determined that the merger is fair and reasonable to, and in the best interests of, ONEOK Partners and the ONEOK Partners common unitholders other than ONEOK, ONEOK Partners GP and their affiliates (the ONEOK Partners unaffiliated unitholders ), and have unanimously approved the merger agreement and the merger. The ONEOK Partners conflicts**

**committee and the ONEOK Partners board each recommend that the ONEOK Partners unitholders vote FOR the merger proposal. The ONEOK Partners board recommends that the ONEOK Partners unitholders vote FOR the ONEOK Partners adjournment proposal.** For more information regarding the recommendation of the ONEOK Partners conflicts committee and

**Table of Contents**

the ONEOK Partners board, see The Merger Recommendation of the ONEOK Partners Conflicts Committee and the ONEOK Partners Board and their Reasons for the Merger.

ONEOK Partners common unitholders should be aware that some of ONEOK Partners directors and executive officers may have interests in the merger that are different from, or in addition to, the interests they may have as ONEOK Partners common unitholders. See The Merger Interests of Certain Persons in the Merger.

Only ONEOK Partners common unitholders of record at the close of business on \_\_\_\_\_, 2017 are entitled to notice of and to vote at the ONEOK Partners special meeting. A list of unitholders entitled to vote at the ONEOK Partners special meeting will be available for inspection at ONEOK Partners offices in Tulsa, Oklahoma for any purpose relevant to the ONEOK Partners special meeting during normal business hours for a period of ten days before the meeting and at the ONEOK Partners special meeting. References to the ONEOK Partners special meeting in this joint proxy statement/prospectus are to such special meeting as may be adjourned or postponed.

**YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU EXPECT TO ATTEND THE ONEOK PARTNERS SPECIAL MEETING, PLEASE SUBMIT YOUR PROXY IN ONE OF THE FOLLOWING WAYS:**

If you hold your ONEOK Partners common units in the name of a bank, broker or other nominee, you should follow the instructions provided by your bank, broker or other nominee when voting your ONEOK Partners common units.

If you hold your ONEOK Partners common units in your own name, you may submit your proxy by:

using the toll-free telephone number shown on the proxy card;

using the Internet website shown on the proxy card; or

marking, signing, dating and promptly returning the enclosed proxy card in the postage-paid envelope. It requires no postage if mailed in the United States.

The enclosed joint proxy statement/prospectus provides a detailed description of the merger and the merger agreement. You are urged to read this joint proxy statement/prospectus, including any documents incorporated by reference, and the Annexes carefully and in their entirety. If you have any questions concerning the merger or this joint proxy statement/prospectus, would like additional copies or need help voting your ONEOK Partners common units, please contact ONEOK Partners proxy solicitor:

Morrow Sodali LLC

470 West Avenue

Stamford, CT 06902

Edgar Filing: ONEOK INC /NEW/ - Form S-4/A

Banks and Brokers Call: (203) 658-9400

All Others Call Toll Free: (800) 662-5200

Email: ONEOKinfo@morrowsodali.com

By order of the Board of Directors of

ONEOK Partners GP, L.L.C.,

Terry K. Spencer

President and Chief Executive Officer

ONEOK Partners GP, L.L.C.



Table of Contents

**IMPORTANT NOTE ABOUT THIS JOINT PROXY STATEMENT/PROSPECTUS**

This joint proxy statement/prospectus, which forms part of a registration statement on Form S-4 filed with the Securities and Exchange Commission (the SEC) constitutes a proxy statement of ONEOK Partners under Section 14(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act), with respect to the solicitation of proxies for the ONEOK Partners special meeting to, among other things, approve the merger proposal.

This joint proxy statement/prospectus also constitutes a proxy statement of ONEOK under Section 14(a) of the Exchange Act with respect to the solicitation of proxies for the ONEOK special meeting to, among other things, approve the ONEOK stock issuance proposal, and a prospectus of ONEOK under Section 5 of the Securities Act of 1933, as amended (the Securities Act), for shares of ONEOK common stock that will be issued to ONEOK Partners common unitholders in the merger pursuant to the merger agreement.

**As permitted under the rules of the SEC, this joint proxy statement/prospectus incorporates by reference important business and financial information about ONEOK and ONEOK Partners from other documents filed with the SEC that are not included in or delivered with this joint proxy statement/prospectus. See Where You Can Find More Information beginning on page 151. You can obtain any of the documents incorporated by reference into this document from ONEOK or ONEOK Partners, as the case may be, or from the SEC's website at <http://www.sec.gov>. This information is also available to you without charge upon your request in writing or by telephone from ONEOK or ONEOK Partners at the following addresses and telephone numbers:**

ONEOK, Inc.

ONEOK Partners, L.P.

Attention: Investor Relations

100 West Fifth Street

Tulsa, Oklahoma 74103

Telephone: (918) 588-7000

Please note that copies of the documents provided to you will not include exhibits, unless the exhibits are specifically incorporated by reference into the documents or this joint proxy statement/prospectus.

You may obtain certain of these documents at ONEOK's website, <http://www.oneok.com>, and at ONEOK Partners website, <http://www.oneokpartners.com>. Information contained on ONEOK's and ONEOK Partners' websites is expressly not incorporated by reference into this joint proxy statement/prospectus.

**In order to receive timely delivery of requested documents in advance of the special meetings, your request should be received no later than \_\_\_\_\_, 2017. If you request any documents, ONEOK or ONEOK Partners will mail them to you by first class mail, or another equally prompt means, after receipt of your request.**

ONEOK and ONEOK Partners have not authorized anyone to give any information or make any representation about the merger, ONEOK or ONEOK Partners that is different from, or in addition to, that contained in this joint proxy statement/prospectus or in any of the materials that have been incorporated by reference into this joint proxy

statement/prospectus. Therefore, if anyone distributes this type of information, you should not rely on it. If you are in a jurisdiction where offers to exchange or sell, or solicitations of offers to exchange or purchase, the securities offered by this joint proxy statement/prospectus or the solicitation of proxies are unlawful, or you are a person to whom it is unlawful to direct these types of activities, then the offer presented in this joint proxy statement/prospectus does not extend to you. The information contained in this joint proxy statement/prospectus speaks only as of the date of this joint proxy statement/prospectus, or in the case of information in a document incorporated by reference, as of the date of such document, unless the information specifically indicates that another date applies. All information in this document concerning ONEOK has been furnished by ONEOK. All information in this document concerning ONEOK Partners has been furnished by ONEOK Partners.

Table of Contents

**JOINT PROXY STATEMENT/PROSPECTUS**

**TABLE OF CONTENTS**

|   |     |
|---|-----|
| <u>QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETINGS</u>                  | ii  |
| <u>SUMMARY</u>  | 1   |
| <u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF ONEOK</u>                         | 15  |
| <u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF ONEOK PARTNERS</u>                | 16  |
| <u>SELECTED UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION</u>        | 17  |
| <u>COMPARATIVE PER SHARE AND PER UNIT INFORMATION</u>                                   | 18  |
| <u>MARKET PRICES, DIVIDEND AND DISTRIBUTION INFORMATION</u>                             | 20  |
| <u>RISK FACTORS</u>   | 22  |
| <u>CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS</u>                        | 28  |
| <u>THE PARTIES</u>  | 32  |
| <u>THE MERGER</u>   | 34  |
| <u>THE MERGER AGREEMENT</u>   | 90  |
| <u>COMPARISON OF RIGHTS OF ONEOK SHAREHOLDERS AND ONEOK PARTNERS COMMON UNITHOLDERS</u> | 105 |
| <u>DESCRIPTION OF ONEOK CAPITAL STOCK</u>   | 129 |
| <u>THE ONEOK SPECIAL MEETING</u>  | 134 |
| <u>THE ONEOK PROPOSALS</u>  | 138 |
| <u>THE ONEOK PARTNERS SPECIAL MEETING</u>   | 141 |
| <u>THE ONEOK PARTNERS PROPOSALS</u>   | 145 |
| <u>UNITED STATES FEDERAL INCOME TAX CONSEQUENCES</u>                                    | 146 |
| <u>SHAREHOLDER AND UNITHOLDER PROPOSALS</u>   | 150 |
| <u>LEGAL MATTERS</u>  | 151 |
| <u>EXPERTS</u>  | 151 |
| <u>WHERE YOU CAN FIND MORE INFORMATION</u>  | 151 |
| <u>UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS</u>                  | 153 |
| <u>Annex A Merger Agreement</u>   | A-1 |
| <u>Annex B Opinion of J.P. Morgan Securities LLC</u>                                    | B-1 |
| <u>Annex C Opinion of Barclays Capital Inc.</u>   | C-1 |
| <u>Annex D Charter Amendment</u>  | D-1 |

**Table of Contents**

**QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETINGS**

***Important Information and Risks.*** *The following are brief answers to some questions that you may have regarding the proposed merger and the ONEOK and ONEOK Partners special meetings. You should read and consider carefully the remainder of this joint proxy statement/prospectus, including the Risk Factors beginning on page 22 and the attached Annexes, because the information in this section does not provide all of the information that might be important to you. Additional important information and descriptions of risk factors are also contained in the documents incorporated by reference in this joint proxy statement/prospectus. See Where You Can Find More Information beginning on page 151.*

**Q: What is the proposed transaction and why am I receiving these materials?**

A: ONEOK and ONEOK Partners have agreed to combine by merging Merger Sub, a subsidiary of ONEOK, with and into ONEOK Partners under the terms of the merger agreement that is described in this joint proxy statement/prospectus and attached as Annex A. You are receiving this document because the merger cannot be completed without certain approvals of the ONEOK shareholders and the ONEOK Partners unitholders.

**Q: Why are ONEOK and ONEOK Partners proposing the merger?**

A: ONEOK and ONEOK Partners believe that the merger will benefit both ONEOK shareholders and ONEOK Partners unitholders. See The Merger Recommendation of the ONEOK Special Committee and its Reasons for the Merger and The Merger Recommendation of the ONEOK Partners Conflicts Committee and the ONEOK Partners Board and their Reasons for the Merger.

**Q: What will ONEOK Partners common unitholders receive in the merger?**

A: If the merger is completed, each outstanding ONEOK Partners common unit not owned by ONEOK or its subsidiaries will be converted into the right to receive 0.985 of a share of ONEOK common stock (such consideration, the merger consideration and such ratio, the exchange ratio). Based on the closing price of ONEOK common stock on January 31, 2017, the last trading day before the public announcement of the merger, the aggregate value of the merger consideration was approximately \$9.3 billion. The exchange ratio is fixed and will not be adjusted on account of any change in price of either ONEOK common stock or ONEOK Partners common units prior to completion of the merger. If the exchange ratio would result in a ONEOK Partners common unitholder being entitled to receive a fraction of a share of ONEOK common stock, such ONEOK Partners common unitholder will receive cash from ONEOK in lieu of such fractional interest in an amount equal to such fractional interest multiplied by the average of the closing sale prices of a share of ONEOK common stock as reported on the New York Stock Exchange ( NYSE ) for the five consecutive full trading days ending at the close of trading on the full trading day immediately preceding the closing date of the merger.

**Q: What will ONEOK shareholders receive in the merger?**

A: ONEOK shareholders will simply retain the ONEOK common stock they currently own. They will not receive any additional ONEOK common stock in the merger.

**Q: Where will my shares or units trade after the merger?**

A: ONEOK common stock will continue to trade on the NYSE under the symbol OKE. ONEOK Partners common units will no longer be publicly traded after the completion of the merger.

**Q: What happens to my future distributions or dividends?**

A: If the date of the closing of the merger is prior to the record date set by the ONEOK board in connection with declared dividends to be paid by ONEOK to its shareholders, former ONEOK Partners

**Table of Contents**

common unitholders will receive dividends on the ONEOK common stock they receive in the merger at the discretion of the ONEOK board. If the date of the closing of the merger is after the record date set by the ONEOK board in connection with declared dividends to be paid by ONEOK to its shareholders, then a former ONEOK Partners common unitholder will not receive dividends for that quarter on the ONEOK common stock it receives in the merger, but will receive distributions for that quarter declared by ONEOK Partners (if any) prior to the closing of the merger, if such former ONEOK Partners common unitholder was a record holder of such common units on the record date with respect to such distribution. ONEOK Partners common unitholders will not receive both distributions from ONEOK Partners and dividends from ONEOK for the same quarter. See [Market Prices, Dividend and Distribution Information](#).

Current ONEOK shareholders will continue to receive dividends on their ONEOK common stock at the discretion of the ONEOK board. See [Comparison of Rights of ONEOK Shareholders and ONEOK Partners Common Unitholders](#).

ONEOK management intends to recommend to the ONEOK board an increase to the quarterly dividend on the ONEOK common stock of approximately 21% to \$0.745 per share (an annualized dividend of \$2.98 per share) for the first dividend declaration date immediately following the completion of the merger. The current annualized distribution for each ONEOK Partners common unit is \$3.16 (based on the quarterly distribution of \$0.79 for each ONEOK Partners common unit that was declared and paid with respect to the quarter ended December 31, 2016). Based on the exchange ratio, the annualized distribution for each ONEOK Partners common unit exchanged for 0.985 of a share of ONEOK common stock is expected to be approximately \$2.94 (based on the expected quarterly dividend of \$0.745 per ONEOK common share) following the completion of the merger. Accordingly, a ONEOK Partners common unitholder is expected to initially receive approximately 7% less in quarterly cash distributions after giving effect to the merger, but through expected dividend growth over time, dividends are expected to exceed the amount of distributions ONEOK Partners unitholders currently receive. ONEOK expects the merger to result in substantially more cash flow at ONEOK, which will be available for various purposes, including the payment of dividends. Based upon the expected financial benefits of the merger, ONEOK expects that the merger will allow ONEOK to increase significantly its quarterly dividend and to maintain a dividend coverage ratio greater than 1.2 times. See [The Merger Unaudited Projected Financial Information](#) on page 51.

ONEOK is not required to pay dividends on its common stock under the ONEOK certificate of incorporation or the Oklahoma General Corporation Act (the "OGCA"). Subject to preferences that may be applicable to any outstanding shares or series of preferred stock, ONEOK shareholders are only entitled to receive ratably such dividends (payable in cash, stock or otherwise), if any, as may be declared from time to time by the ONEOK board out of funds legally available for dividend payments. The ONEOK board makes a determination each quarter as to the actual amount, if any, of dividends to pay on the ONEOK common stock, based on various factors, some of which are beyond its control, including ONEOK's operating cash flows, ONEOK's working capital needs, ONEOK's ability to access capital markets for debt and equity financing on reasonable terms, the restrictions contained in ONEOK's indentures and credit facility, ONEOK's debt service requirements, credit metrics and the cost of acquisitions, if any. ONEOK may not have sufficient cash each quarter to pay dividends or maintain current or expected levels of dividends. Accordingly, ONEOK cannot guarantee that any dividends will be declared or paid in the future.

**Q: When and where will the special meetings be held?**

A: *ONEOK shareholders:* The ONEOK special meeting will be held at ONEOK Plaza, 100 West Fifth Street, Tulsa, Oklahoma 74103, on \_\_\_\_\_, 2017, at \_\_\_\_\_, local time.

*ONEOK Partners unitholders:* The ONEOK Partners special meeting will be held at ONEOK Plaza, 100 West Fifth Street, Tulsa, Oklahoma 74103, on \_\_\_\_\_, 2017, at \_\_\_\_\_, local time.

**Table of Contents**

**Q: Who is entitled to vote at the special meetings?**

A: *ONEOK shareholders:* The record date for the ONEOK special meeting is \_\_\_\_\_, 2017. Only ONEOK shareholders of record as of the close of business on the record date are entitled to notice of, and to vote at, the ONEOK special meeting.

*ONEOK Partners unitholders:* The record date for the ONEOK Partners special meeting is \_\_\_\_\_, 2017. Only ONEOK Partners common unitholders and Class B unitholders (together, the ONEOK Partners unitholders) of record as of the close of business on the record date are entitled to notice of, and to vote at, the ONEOK Partners special meeting.

**Q: What constitutes a quorum at the special meetings?**

A: *ONEOK shareholders:* The holders of a majority of the outstanding ONEOK common stock, represented in person or by proxy (by submitting a properly executed proxy card or properly submitting your proxy by telephone or Internet), on the record date will constitute a quorum and will permit ONEOK to conduct the proposed business at the ONEOK special meeting. Proxies received but marked as abstentions will be counted as ONEOK common stock that are present and entitled to vote for purposes of determining the presence of a quorum. If an executed proxy is returned by a bank, broker or other nominee holding ONEOK common stock in street name indicating that the broker does not have discretionary authority as to certain ONEOK common stock to vote on a specific proposal (a broker non-vote with respect to such proposal), such ONEOK common stock will not be considered present at the ONEOK special meeting for purposes of determining the presence of a quorum and will not be included in the vote.

*ONEOK Partners unitholders:* The holders of a majority of the outstanding ONEOK Partners common units and Class B units represented in person or by proxy (by submitting a properly executed proxy card or properly submitting a proxy by telephone or Internet) will constitute a quorum and will permit ONEOK Partners to conduct the proposed business at the ONEOK Partners special meeting. Proxies received but marked as abstentions will be counted as units that are present and entitled to vote for purposes of determining the presence of a quorum. Broker non-votes (if any) will not be considered present at the ONEOK Partners special meeting for purposes of determining the presence of a quorum and will not be included in the vote.

**Q: What is the vote required to approve each proposal?**

A: *ONEOK shareholders:* Approval of the ONEOK stock issuance proposal requires the affirmative vote of a majority of the shares of ONEOK common stock voted at the ONEOK special meeting, and approval of the ONEOK adjournment proposal requires the affirmative vote of holders of a majority of the shares of ONEOK common stock present in person or represented by proxy at the ONEOK special meeting and entitled to vote thereon.

Approval of the ONEOK charter amendment proposal requires the affirmative vote of holders of a majority of the outstanding shares of ONEOK common stock. Completion of the merger is not conditioned upon approval of the ONEOK charter amendment proposal. However, even if the ONEOK shareholders approve the ONEOK charter amendment proposal, ONEOK will not file with the Secretary of State of the State of Oklahoma the amendment to the



ONEOK certificate of incorporation to increase the number of authorized shares of common stock from 600,000,000 to 1,200,000,000 unless the merger is completed.

All of the directors and executive officers of ONEOK beneficially owned, in the aggregate, approximately % of the outstanding ONEOK common stock as of the record date. ONEOK believes that the directors and executive officers of ONEOK will vote in favor of the ONEOK stock issuance proposal, the ONEOK charter amendment proposal, and the ONEOK adjournment proposal.

---

**Table of Contents**

*ONEOK Partners unitholders:* Approval of the merger proposal requires the affirmative vote of holders of a majority of the outstanding ONEOK Partners common units and ONEOK Partners Class B units, voting as a single class. The ONEOK Partners adjournment proposal requires approval by (i) if a quorum does not exist, the affirmative vote of holders of a majority of the outstanding ONEOK Partners common units and Class B units, voting as a single class, entitled to vote represented in person or by proxy at the ONEOK Partners special meeting or (ii) if a quorum does exist, the affirmative vote of holders of a majority of the outstanding ONEOK Partners common units and Class B units, voting as a single class.

Pursuant to the merger agreement, ONEOK has agreed to vote or cause to be voted all ONEOK Partners units beneficially owned by ONEOK and its affiliates in favor of the merger proposal unless there is a ONEOK Partners adverse recommendation change (see The Merger Agreement ONEOK Partners GP Recommendation and ONEOK Partners Adverse Recommendation Change ). As of the record date, ONEOK and its affiliates beneficially owned approximately % of the outstanding ONEOK Partners common units and % of the Class B units, which represent, in the aggregate, % of the total outstanding common units and Class B units (assuming the conversion of ONEOK s Class B units to common units).

All of the directors and executive officers of ONEOK Partners GP beneficially owned, in the aggregate, approximately % of the outstanding ONEOK Partners common units and Class B units as of the record date. ONEOK and ONEOK Partners believe that the directors and executive officers of ONEOK Partners GP will vote in favor of the merger proposal and the ONEOK Partners adjournment proposal.

**Q: How do I vote my ONEOK common stock or ONEOK Partners common units if I hold them in my own name?**

A: *ONEOK shareholders:* After you have read this joint proxy statement/prospectus carefully, please respond by completing, signing and dating your proxy card and returning it in the enclosed postage-paid envelope, or by submitting your proxy by telephone or the Internet as soon as possible in accordance with the instructions provided under The ONEOK Special Meeting Voting Procedures Voting by ONEOK Shareholders.

*ONEOK Partners common unitholders:* After you have read this joint proxy statement/prospectus carefully, please respond by completing, signing and dating your proxy card and returning it in the enclosed postage-paid envelope, or by submitting your proxy by telephone or the Internet as soon as possible in accordance with the instructions provided under The ONEOK Partners Special Meeting Voting Procedures Voting by ONEOK Partners Common Unitholders.

**Q: If my ONEOK common stock or ONEOK Partners common units are held in street name by my bank, broker or other nominee, will my bank, broker or other nominee vote them for me?**

A: *ONEOK shareholders:* If your ONEOK common stock is held in street name in a stock brokerage account or by a broker, bank or other nominee, you must provide the record holder of your ONEOK common stock with instructions on how to vote your shares. Please follow the voting instructions provided by your broker, bank or other nominee. Please note that you may not vote ONEOK common stock held in street name by returning a proxy card directly to ONEOK or by voting in person at the ONEOK special meeting unless you provide a legal proxy, which you must obtain from your broker, bank or other nominee. Your broker, bank or other

nominee is obligated to provide you with a voting instruction card for you to use. Under the rules of the NYSE, brokers who hold shares in street name for a beneficial owner of those shares typically have the authority to vote in their discretion on routine proposals when they have not received instructions from beneficial owners. However, brokers are not allowed to exercise their voting

**Table of Contents**

discretion with respect to the approval of matters that the NYSE determines to be non-routine without specific instructions from the beneficial owner. It is expected that the stock issuance proposal is a non-routine matter and that each of the ONEOK charter amendment proposal and the ONEOK adjournment proposal is a routine matter. Broker non-votes occur when a broker or nominee is not instructed by the beneficial owner of shares to vote on a particular proposal for which the broker does not have discretionary voting power.

If you are a ONEOK shareholder and you do not instruct your broker, bank or other nominee on how to vote your shares:

your broker, bank or other nominee may not vote your shares on the stock issuance proposal, which broker non-votes, if any, will have no effect on the vote count for this proposal;

your broker, bank or other nominee may vote your shares on the ONEOK charter amendment proposal; and

your broker, bank or other nominee may vote your shares on the ONEOK adjournment proposal.

*ONEOK Partners common unitholders:* If your ONEOK Partners common units are held in street name in a stock brokerage account or by a broker, bank or other nominee, you must provide the record holder of your ONEOK Partners common units with instructions on how to vote your units. Please follow the voting instructions provided by your broker, bank or other nominee. Please note that you may not vote ONEOK Partners common units held in street name by returning a proxy card directly to ONEOK Partners or by voting in person at the ONEOK Partners special meeting unless you provide a legal proxy, which you must obtain from your broker, bank or other nominee. Your broker, bank or other nominee is obligated to provide you with a voting instruction card for you to use.

Under the rules of the NYSE, brokers who hold units in street name for a beneficial owner of those units typically have the authority to vote in their discretion on routine proposals when they have not received instructions from beneficial owners. However, brokers are not allowed to exercise their voting discretion with respect to the approval of matters that the NYSE determines to be non-routine without specific instructions from the beneficial owner. It is expected that all proposals to be voted on at the ONEOK Partners special meeting are such non-routine matters. Broker non-votes occur when a broker or nominee is not instructed by the beneficial owner of units to vote on a particular proposal for which the broker does not have discretionary voting power.

If you are a ONEOK Partners common unitholder and you do not instruct your broker, bank or other nominee on how to vote your units:

your broker, bank or other nominee may not vote your units on the merger proposal, which broker non-votes, if any, will have the same effect as a vote AGAINST this proposal; and

your broker, bank or other nominee may not vote your units on the ONEOK Partners adjournment proposal, which broker non-votes, if any, will have the same effect as a vote AGAINST this proposal if a quorum is present, and will have no effect on the outcome of any vote on the proposal if a quorum

is not present.

**Q: When do you expect the merger to be completed?**

A: We currently expect the merger to close in the second quarter of 2017. A number of conditions must be satisfied before ONEOK and ONEOK Partners can complete the merger, including the approval of the ONEOK stock issuance proposal by the ONEOK shareholders and the approval of the merger proposal by the ONEOK Partners unitholders. Although ONEOK and ONEOK Partners cannot be sure when all of the conditions to the merger will be satisfied, ONEOK and ONEOK Partners expect to complete the merger as soon as practicable following the ONEOK and ONEOK Partners special meetings (assuming the ONEOK stock issuance proposal and the merger proposal are approved by the ONEOK

**Table of Contents**

shareholders and ONEOK Partners unitholders, respectively), subject to, among other things, the registration statement of which this joint proxy statement/prospectus forms a part having been declared effective under the Securities Act. See [The Merger Agreement](#) [Conditions to Completion of the Merger](#) and [Risk Factors](#) [Risks Related to the Merger](#). The merger is subject to conditions, including some conditions that may not be satisfied on a timely basis, if at all. Failure to complete the merger, or significant delays in completing the merger, could negatively affect each party's future business and financial results and the trading prices of ONEOK common stock and ONEOK Partners common units.

**Q: How do the ONEOK special committee and the ONEOK board recommend that the ONEOK shareholders vote?**

A: The ONEOK special committee recommends that ONEOK shareholders vote FOR the ONEOK stock issuance proposal and FOR the ONEOK adjournment proposal. The ONEOK board recommends that ONEOK shareholders vote FOR the ONEOK charter amendment proposal.

On January 31, 2017, in light of the fact that certain ONEOK directors are on the ONEOK Partners board and certain ONEOK directors own ONEOK Partners common units, and certain provisions of the ONEOK certificate of incorporation regarding the ability of directors who are in any way interested in or connected to a party to a transaction with ONEOK to vote on the transaction, the ONEOK board formed a special committee of independent directors that neither sat on the ONEOK Partners board nor owned ONEOK Partners common units to consider and approve the transaction. The ONEOK special committee unanimously determined that the ONEOK stock issuance, the merger, the merger agreement, the exchange ratio and the transactions contemplated thereby, are advisable and fair to, and in the best interests of, ONEOK and the ONEOK shareholders. The ONEOK special committee unanimously approved the merger agreement, the merger, the ONEOK stock issuance in connection therewith and the transactions contemplated thereby, and the ONEOK special committee unanimously recommends that the ONEOK shareholders vote FOR the ONEOK stock issuance proposal.

For more information regarding the recommendation of the ONEOK special committee, see [The Merger Recommendation of the ONEOK Special Committee and its Reasons for the Merger](#).

ONEOK shareholders should be aware that some of ONEOK's directors and executive officers may have interests in the merger that are different from, or in addition to, the interests they may have as ONEOK shareholders. See [The Merger Interests of Certain Persons in the Merger](#).

The ONEOK board recommends that the ONEOK shareholders vote FOR the ONEOK charter amendment proposal.

**Q: How do the ONEOK Partners conflicts committee and the ONEOK Partners board recommend that the ONEOK Partners unitholders vote?**

A: The ONEOK Partners conflicts committee and the ONEOK Partners board each recommend that the ONEOK Partners unitholders vote FOR the merger proposal. The ONEOK Partners board recommends that the ONEOK Partners unitholders vote FOR the ONEOK Partners adjournment proposal.

On January 31, 2017, the ONEOK Partners conflicts committee (which consists of the three members of ONEOK Partners board who are independent under ONEOK Partners' governance guidelines and the listing standards of the

NYSE and who are not also executive officers or members of the ONEOK board) and the ONEOK Partners board each unanimously determined that the merger is fair and reasonable to, and in the best interests of, ONEOK Partners and the ONEOK Partners unaffiliated unitholders, and unanimously approved the merger agreement and the merger. The ONEOK Partners conflicts committee and the ONEOK Partners board each unanimously recommend that the ONEOK Partners unitholders vote FOR the merger proposal. The ONEOK Partners conflicts committee s

**Table of Contents**

approval constitutes Special Approval, as such term is defined by the Third Amended and Restated Agreement of Limited Partnership of ONEOK Partners, dated as of September 15, 2006, as amended or supplemented from time to time (the ONEOK Partners partnership agreement ).

For more information regarding the recommendation of the ONEOK Partners conflicts committee in making such determination under the ONEOK Partners partnership agreement, see The Merger Recommendation of the ONEOK Partners Conflicts Committee and the ONEOK Partners Board and their Reasons for the Merger.

ONEOK Partners common unitholders should be aware that some of ONEOK Partners directors and executive officers may have interests in the merger that are different from, or in addition to, the interests they may have as ONEOK Partners common unitholders. See The Merger Interests of Certain Persons in the Merger.

**Q: What are the U.S. federal income tax consequences to a ONEOK Partners common unitholder as a result of the merger?**

A: The receipt of ONEOK common stock and cash in lieu of fractional shares, if any, in exchange for ONEOK Partners common units pursuant to the merger agreement should be a taxable transaction to U.S. Holders (as defined in United States Federal Income Tax Consequences ) for U.S. federal income tax purposes. In such case, a U.S. Holder will generally recognize capital gain or loss on the receipt of ONEOK common stock and any cash in lieu of fractional shares, if any, in exchange for ONEOK Partners common units. However, a portion of this gain or loss, which could be substantial, will be separately computed and taxed as ordinary income or loss to the extent attributable to unrealized receivables, including depreciation recapture, or to inventory items owned by ONEOK Partners and its subsidiaries. Passive losses that were not deductible by a U.S. Holder in prior taxable periods because they exceeded a U.S. Holder's share of ONEOK Partners income may become available to offset a portion of the gain recognized by such U.S. Holder. See United States Federal Income Tax Consequences for a more complete discussion of the U.S. federal income tax consequences of the merger.

**Q: What are the U.S. federal income tax consequences for a ONEOK Partners common unitholder of the ownership of ONEOK common stock after the merger is completed?**

A: ONEOK is classified as a corporation for U.S. federal income tax purposes and is subject to U.S. federal income tax on its taxable income. A distribution of cash by ONEOK to a shareholder who is a U.S. Holder will generally be included in such U.S. Holder's income as ordinary dividend income to the extent of ONEOK's current or accumulated earnings and profits as determined under U.S. federal income tax principles. A portion of the cash distributed to ONEOK shareholders by ONEOK after the merger may exceed ONEOK's current and accumulated earnings and profits. Distributions of cash in excess of ONEOK's current and accumulated earnings and profits will be treated as a non-taxable return of capital reducing a U.S. Holder's adjusted tax basis in such U.S. Holder's ONEOK common stock and, to the extent the distribution exceeds such shareholder's adjusted tax basis, as capital gain from the sale or exchange of such ONEOK common stock. See United States Federal Income Tax Consequences for a more complete discussion of the U.S. federal income tax consequences of owning and disposing of ONEOK common stock received in the merger.



**Q: Are ONEOK shareholders or ONEOK Partners common unitholders entitled to appraisal rights?**

A: No. Neither ONEOK shareholders nor ONEOK Partners common unitholders are entitled to appraisal rights in connection with the merger under applicable law or contractual appraisal rights under ONEOK's organizational documents, the ONEOK Partners partnership agreement or the merger agreement.

viii

## **Table of Contents**

### **Q: What if I do not vote?**

A: If you sign and return your proxy or voting instruction card without indicating how to vote on any particular proposal, the ONEOK common stock represented by your proxy will be voted as recommended by the ONEOK special committee or ONEOK board with respect to that proposal or the ONEOK Partners common units represented by your proxy will be voted as recommended by the ONEOK Partners board with respect to that proposal. Unless a ONEOK shareholder or ONEOK Partners unitholder, as applicable, checks the box on its proxy card to withhold discretionary authority, the applicable proxy holders may use their discretion to vote on other matters relating to the ONEOK special meeting or ONEOK Partners special meeting, as applicable.

For purposes of each of the ONEOK special meeting and the ONEOK Partners special meeting, an abstention occurs when a shareholder or unitholder, as applicable, attends the applicable special meeting in person and does not vote or returns a proxy with an abstain instruction.

### ***ONEOK***

*Stock Issuance Proposal:* An abstention will have the same effect as a vote cast AGAINST the stock issuance proposal. If a ONEOK shareholder is not present in person at the ONEOK special meeting and does not respond by proxy, it will have no effect on the vote count for the stock issuance proposal (assuming a quorum is present).

*ONEOK Charter Amendment Proposal:* An abstention or failure to vote will have the same effect as a vote cast AGAINST the ONEOK charter amendment proposal.

*ONEOK Adjournment Proposal:* An abstention will have the same effect as a vote AGAINST the ONEOK adjournment proposal. If a ONEOK shareholder is not present in person at the ONEOK special meeting and does not respond by proxy, it will have no effect on the vote count for the ONEOK adjournment proposal.

### ***ONEOK Partners***

*Merger Proposal:* An abstention or failure to vote will have the same effect as a vote cast AGAINST the merger proposal.

*ONEOK Partners Adjournment Proposal:* An abstention will have the same effect as a vote AGAINST the ONEOK Partners adjournment proposal. Units not in attendance at the ONEOK Partners special meeting and for which no proxy has been submitted will have no effect on the outcome of any vote to adjourn the ONEOK Partners special meeting if a quorum is not present. If a quorum is present, they would have the same effect as a vote AGAINST the ONEOK Partners adjournment proposal.

### **Q: If I am planning to attend a special meeting in person, should I still vote by proxy?**

A: Yes. Whether or not you plan to attend the ONEOK special meeting or the ONEOK Partners special meeting, as applicable, you should vote by proxy. Your ONEOK common stock or ONEOK Partners common units will not be voted if you do not vote by proxy or do not vote in person at the ONEOK special meeting or the ONEOK Partners special meeting, as applicable.

**Q: Who may attend the ONEOK special meeting and the ONEOK Partners special meeting?**

A: ONEOK shareholders (or their authorized representatives) and ONEOK's invited guests may attend the ONEOK special meeting. ONEOK Partners unitholders (or their authorized representatives) and ONEOK Partners' invited guests may attend the ONEOK Partners special meeting. All attendees should be prepared to present government-issued photo identification (such as a driver's license or passport) for admittance.

**Table of Contents**

**Q: Can I change my vote after I have submitted my proxy?**

A: Yes. If you own your ONEOK common stock or ONEOK Partners common units in your own name, you may revoke your proxy at any time prior to its exercise by:

giving written notice of revocation to the Secretary of ONEOK Partners GP or the Secretary of ONEOK, as applicable, at or before the ONEOK special meeting or the ONEOK Partners special meeting, as applicable;

appearing and voting in person at the ONEOK special meeting or the ONEOK Partners special meeting, as applicable; or

properly completing and executing a later dated proxy and delivering it to the Secretary of ONEOK Partners GP or the Secretary of ONEOK, as applicable, at or before the ONEOK special meeting or the ONEOK Partners special meeting, as applicable.

Your presence without voting at the ONEOK special meeting or the ONEOK Partners special meeting, as applicable, will not automatically revoke your proxy, and any revocation during the meeting will not affect votes previously taken.

**Q: What should I do if I receive more than one set of voting materials for the ONEOK special meeting or the ONEOK Partners special meeting?**

A: You may receive more than one set of voting materials for the ONEOK special meeting or the ONEOK Partners special meeting and the materials may include multiple proxy cards or voting instruction cards. For example, you will receive a separate voting instruction card for each brokerage account in which you hold ONEOK common stock or ONEOK Partners common units. Additionally, if you are a holder of record registered in more than one name, you will receive more than one proxy card. Finally, if you hold both ONEOK common stock and ONEOK Partners common units, you will receive two separate packages of proxy materials. Please complete, sign, date and return each proxy card and voting instruction card that you receive according to the instructions on it.

**Q: Whom do I call if I have further questions about voting, the special meetings or the merger?**

A: ONEOK shareholders and ONEOK Partners common unitholders who have questions about the merger, including the procedures for voting their shares or units, or who desire additional copies of this joint proxy statement/prospectus or additional proxy cards should contact:

**ONEOK Shareholders**

**ONEOK Partners Common Unitholders**

Morrow Sodali LLC

470 West Avenue

Stamford, CT 06902

Banks and Brokers Call: (203) 658-9400

All Others Call Toll Free: (800) 662-5200

Email: ONEOKinfo@morrowsodali.com

or

**ONEOK, Inc.**

100 West Fifth Street

Attention: Investor Relations

Tulsa, Oklahoma 74103

Telephone: (918) 588-7000

Morrow Sodali LLC

470 West Avenue

Stamford, CT 06902

Banks and Brokers Call: (203) 658-9400

All Others Call Toll Free: (800) 662-5200

Email: ONEOKinfo@morrowsodali.com

or

**ONEOK Partners, L.P.**

100 West Fifth Street

Attention: Investor Relations

Tulsa, Oklahoma 74103

Telephone: (918) 588-7000

x

---

**Table of Contents**

**SUMMARY**

*This summary highlights selected information contained in this joint proxy statement/prospectus and does not contain all the information that may be important to you. ONEOK and ONEOK Partners urge you to read carefully this joint proxy statement/prospectus in its entirety, including the Annexes. Additionally, important information, which ONEOK and ONEOK Partners also urge you to read, is contained in the documents incorporated by reference into this joint proxy statement/prospectus. See *Where You Can Find More Information* beginning on page 151. Unless stated otherwise, all references in this joint proxy statement/prospectus to ONEOK are to ONEOK, Inc., all references to ONEOK Partners are to ONEOK Partners, L.P. and all references to the merger agreement are to the Agreement and Plan of Merger, dated as of January 31, 2017, by and among ONEOK, Merger Sub, ONEOK Partners GP and ONEOK Partners, a copy of which is attached as Annex A to this joint proxy statement/prospectus and incorporated by reference herein.*

**The Parties**

***ONEOK, Inc.***

ONEOK is a corporation incorporated under the laws of the state of Oklahoma, and ONEOK's common stock is listed on the NYSE under the trading symbol OKE. ONEOK Partners GP, a wholly-owned subsidiary of ONEOK, is the sole general partner of ONEOK Partners. As of April 20, 2017, ONEOK owned 41.2% of ONEOK Partners, one of the largest publicly traded master limited partnerships. ONEOK's goal is to provide management and resources to ONEOK Partners, enabling it to execute its growth strategies and allowing ONEOK to grow its dividend.

ONEOK's principal executive offices are located at 100 West Fifth Street, Tulsa, Oklahoma 74103 and its telephone number is (918) 588-7000.

***ONEOK Partners, L.P.***

ONEOK Partners is a publicly traded master limited partnership, organized under the laws of the state of Delaware, that was formed in 1993. ONEOK Partners' common units are listed on the NYSE under the trading symbol OKS. ONEOK Partners is one of the largest publicly traded master limited partnerships and a leader in the gathering, processing, storage and transportation of natural gas in the United States. In addition, ONEOK Partners owns one of the nation's premier natural gas liquids systems, connecting natural gas liquids (NGL) supply in the Mid-Continent, Permian and Rocky Mountain regions with key market centers. ONEOK Partners applies its core capabilities of gathering, processing, fractionating, transporting, storing and marketing natural gas and NGLs through the rebundling of services across the value chains through vertical integration in an effort to provide ONEOK Partners' customers with premium services at lower costs.

ONEOK Partners' principal executive offices are located at 100 West Fifth Street, Tulsa, Oklahoma 74103 and its telephone number is (918) 588-7000.

***Merger Sub***

Merger Sub, a wholly owned subsidiary of ONEOK, is a Delaware limited liability company formed on January 31, 2017, for the purpose of effecting the merger. Upon completion of the merger, Merger Sub will merge with and into ONEOK Partners, with ONEOK Partners continuing as the surviving entity and a wholly owned subsidiary of ONEOK. Merger Sub has not conducted any activities other than those incidental to its formation and the matters contemplated by the merger agreement, including the preparation of applicable regulatory filings in connection with

the merger.

**Table of Contents*****Relationships Between the Parties***

ONEOK does not directly own any midstream operating assets; its main source of future revenue therefore is from its general and limited partner interests in ONEOK Partners. Substantially all of ONEOK's cash flows are generated from the distributions ONEOK receives from ONEOK Partners. At April 20, 2017, ONEOK's interests in ONEOK Partners consisted of the following:

a 2% general partner interest, which ONEOK holds through its 100% ownership interest in ONEOK Partners GP; and

114,332,833 of the 285,826,232 outstanding ONEOK Partners common units, assuming conversion of the 72,988,252 Class B units held by ONEOK to common units (approximately 40.0%).

The outstanding common units and Class B units (including common units and Class B units held by ONEOK and ONEOK Partners GP) account for 98% of the total ownership interest in ONEOK Partners, with the remaining 2% of the total ownership interest in ONEOK Partners being comprised of the general partner interest in ONEOK Partners. As of the record date, ONEOK and its affiliates beneficially owned approximately % of the outstanding ONEOK Partners common units and % of the Class B units, which represent, in the aggregate, % of the total outstanding common units and Class B units (assuming the conversion of ONEOK's Class B units to common units). As such, ONEOK's total direct and indirect ownership interest in ONEOK Partners is % (which represents % (i.e., % of 98%) in respect of the limited partner interests, plus 2% in respect of the general partner interest).

Certain of the executive officers and directors of ONEOK Partners GP are also executive officers and directors of ONEOK. See *The Merger* *Interests of Certain Persons in the Merger* *Common Directors and Executive Officers*.

**The Merger**

Subject to the terms and conditions of the merger agreement and in accordance with Delaware law, at the effective time of the merger, Merger Sub, a wholly-owned subsidiary of ONEOK, will merge with and into ONEOK Partners, with ONEOK Partners continuing as the surviving entity and a wholly-owned subsidiary of ONEOK.

**The Merger Consideration**

At the effective time of the merger, each ONEOK Partners common unit issued and outstanding will be converted into the right to receive 0.985 of a share of ONEOK common stock, other than (i) ONEOK Partners common units that are owned immediately prior to the effective time of the merger by ONEOK Partners, which will be automatically cancelled and will cease to exist, and (ii) ONEOK Partners common units owned immediately prior to the effective time of the merger by ONEOK Partners GP, ONEOK or any subsidiaries of ONEOK (other than ONEOK Partners), which will remain outstanding, unaffected by the merger. General Partner Percentage Interests (as defined in the ONEOK Partners partnership agreement) and the Class B units will also remain outstanding, unaffected by the merger.

ONEOK will not issue any fractional shares of ONEOK common stock in the merger. Instead, each holder of ONEOK Partners common units that are converted pursuant to the merger agreement who otherwise would have received a



fraction of a share of ONEOK common stock will be entitled to receive, in lieu thereof, a cash payment (without interest and rounded up to the nearest whole cent) in an amount equal to the product of (i) the average trading prices of the ONEOK common stock over the five-day period prior to the closing date of the merger and (ii) the fraction of the ONEOK common stock that such holder would otherwise be entitled to receive pursuant to the merger agreement.

## **Table of Contents**

### **ONEOK Special Meeting**

*Where and when:* The ONEOK special meeting will take place at ONEOK Plaza, 100 West Fifth Street, Tulsa, Oklahoma 74103, on \_\_\_\_\_, 2017 at \_\_\_\_\_, local time.

*What you are being asked to vote on:* At the ONEOK special meeting, ONEOK shareholders will vote on the ONEOK stock issuance proposal, the ONEOK charter amendment proposal, and the adjournment proposal. ONEOK shareholders may also be asked to consider other matters as may properly come before the ONEOK special meeting. At this time, ONEOK knows of no other matters that will be presented for the consideration of the ONEOK shareholders at the ONEOK special meeting.

*Who may vote:* You may vote at the ONEOK special meeting if you owned ONEOK common stock at the close of business on the record date of \_\_\_\_\_, 2017. On that date, there were \_\_\_\_\_ shares of ONEOK common stock outstanding. You may cast one vote for each outstanding share of ONEOK common stock that you owned on the record date.

*What vote is needed:* Approval of the ONEOK stock issuance proposal requires the affirmative vote of a majority of the shares of ONEOK common stock voted at the ONEOK special meeting. Approval of the ONEOK adjournment proposal requires the affirmative vote of holders of a majority of the shares of ONEOK common stock present in person or represented by proxy at the ONEOK special meeting and entitled to vote thereon.

Approval of the ONEOK charter amendment proposal requires the affirmative vote of holders of a majority of the outstanding shares of ONEOK common stock. Completion of the merger is not conditioned upon approval of the ONEOK charter amendment proposal. However, even if the ONEOK shareholders approve the ONEOK charter amendment proposal, ONEOK will not file with the Secretary of State of the State of Oklahoma the amendment to the ONEOK certificate of incorporation to increase the number of authorized shares of common stock from 600,000,000 to 1,200,000,000 unless the merger is completed.

All of the directors and executive officers of ONEOK beneficially owned, in the aggregate, approximately \_\_\_\_\_% of the outstanding ONEOK common stock as of the record date. ONEOK believes that the directors and executive officers of ONEOK will vote in favor of the ONEOK stock issuance proposal, the ONEOK charter amendment proposal, and the ONEOK adjournment proposal.

### **ONEOK Partners Special Meeting**

*Where and when:* The ONEOK Partners special meeting will take place at ONEOK Plaza, 100 West Fifth Street, Tulsa, Oklahoma 74103, on \_\_\_\_\_, 2017 at \_\_\_\_\_, local time.

*What you are being asked to vote on:* At the ONEOK Partners special meeting, ONEOK Partners unitholders will vote on the merger proposal and the ONEOK Partners adjournment proposal. ONEOK Partners unitholders also may be asked to consider other matters as may properly come before the ONEOK Partners special meeting. At this time, ONEOK Partners knows of no other matters that will be presented for the consideration of the ONEOK Partners unitholders at the ONEOK Partners special meeting.

*Who may vote:* You may vote at the ONEOK Partners special meeting if you owned ONEOK Partners common units at the close of business on the record date of \_\_\_\_\_, 2017. On that date, there were \_\_\_\_\_ ONEOK Partners common units outstanding. You may cast one vote for each outstanding ONEOK Partners common unit that you owned on the record date.

*What vote is needed:* Approval of the merger proposal requires the affirmative vote of holders of a majority of the outstanding ONEOK Partners common units and Class B units, voting as a single class. The ONEOK

---

## **Table of Contents**

Partners adjournment proposal requires approval by (i) if a quorum does not exist, the affirmative vote of holders of a majority of the outstanding ONEOK Partners common units and Class B units, voting as a single class, entitled to vote represented in person or by proxy at the ONEOK Partners special meeting or (ii) if a quorum does exist, the affirmative vote of holders of a majority of the outstanding ONEOK Partners common units and Class B units, voting as a single class.

Pursuant to the merger agreement, ONEOK has agreed to vote or cause to be voted all ONEOK Partners units beneficially owned by ONEOK and its affiliates in favor of the merger proposal unless there is a ONEOK Partners adverse recommendation change. As of the record date, ONEOK and its affiliates beneficially owned approximately % of the outstanding ONEOK Partners common units and % of the Class B units, which represent, in the aggregate, % of the total outstanding common units and Class B units (assuming the conversion of ONEOK's Class B units to common units).

All of the directors and executive officers of ONEOK Partners GP beneficially owned, in the aggregate, approximately % of the outstanding ONEOK Partners common units as of the record date. ONEOK and ONEOK Partners believe that the directors and executive officers of ONEOK Partners GP will vote in favor of the merger proposal and the ONEOK Partners adjournment proposal.

### **Recommendation of the ONEOK Special Committee and its Reasons for the Merger**

In light of the fact that certain ONEOK directors are on the ONEOK Partners board and certain ONEOK directors own ONEOK Partners common units, and certain provisions of the ONEOK certificate of incorporation regarding the ability of directors who are in any way interested in or connected to a party to a transaction with ONEOK to vote on the transaction, the ONEOK board formed a special committee of independent directors that neither sat on the ONEOK Partners board nor owned ONEOK Partners common units to consider and approve the merger agreement and the transactions contemplated thereby.

At a meeting held on January 31, 2017, the ONEOK special committee unanimously determined that the merger, the merger agreement, and the transactions contemplated thereby, including the ONEOK stock issuance, are advisable and fair to, and in the best interests of, ONEOK and the ONEOK shareholders. The ONEOK special committee unanimously approved the merger, the merger agreement, the exchange ratio of 0.985 of a share of ONEOK common stock for each ONEOK Partners common unit, and the transactions contemplated by the merger agreement, including the ONEOK stock issuance, and recommends that the ONEOK shareholders vote FOR the ONEOK stock issuance proposal. In the course of reaching its decision to approve the merger, the merger agreement, the exchange ratio and the transactions contemplated by the merger agreement, the ONEOK board considered a number of factors in its deliberations. See *The Merger Recommendation of the ONEOK Special Committee and its Reasons for the Merger*.

ONEOK shareholders should be aware that some of ONEOK's directors and executive officers may have interests in the transactions that are different from, or in addition to, the interests they may have as ONEOK shareholders. See *The Merger Interests of Certain Persons in the Merger*.

The ONEOK board recommends that the ONEOK shareholders vote FOR the ONEOK charter amendment proposal.

### **Recommendation of the ONEOK Partners Conflicts Committee and the ONEOK Partners Board and their Reasons for the Merger**

At a meeting of the ONEOK Partners conflicts committee held on January 31, 2017, the ONEOK Partners conflicts committee (i) determined in good faith that the merger and the merger agreement, including the



---

**Table of Contents**

transactions contemplated thereby, are fair and reasonable to, and in the best interests of, ONEOK Partners and the ONEOK Partners unaffiliated unitholders, (ii) authorized and approved the merger and the merger agreement, including the transactions contemplated thereby, and recommended to the ONEOK Partners board that it: (A) approve the merger and the merger agreement; (B) cause ONEOK Partners GP and ONEOK Partners to execute and deliver the merger agreement; (C) submit the merger and the merger agreement to the ONEOK Partners unitholders for approval; and (D) subject to obtaining the requisite approval of ONEOK Partners unitholders, cause ONEOK Partners GP and ONEOK Partners to complete the merger agreement. The ONEOK Partners conflicts committee also resolved, subject to approval of the ONEOK Partners board and submission to ONEOK Partners unitholders, to recommend approval of the merger and the merger agreement, including the transactions contemplated thereby, by the ONEOK Partners unitholders. The ONEOK Partners conflicts committee's approval constitutes Special Approval, as such term is defined by the ONEOK Partners partnership agreement.

Later on January 31, 2017, at a meeting of the ONEOK Partners board, the ONEOK Partners board (based upon the recommendation of the ONEOK Partners conflicts committee) unanimously determined that the merger and the merger agreement, including the transactions contemplated thereby, are fair and reasonable to, and in the best interests of, ONEOK Partners and the ONEOK Partners unaffiliated unitholders, approved the execution, delivery and performance of the merger agreement and the transactions contemplated thereby, including the merger, and resolved to submit the merger and the merger agreement to a vote of the ONEOK Partners unitholders and recommend approval of the merger agreement by the ONEOK Partners unitholders. For more information regarding the recommendation of the ONEOK Partners conflicts committee and the ONEOK Partners board, see [The Merger Recommendation of the ONEOK Partners Conflicts Committee and the ONEOK Partners Board and their Reasons for the Merger](#).

ONEOK Partners common unitholders should be aware that some of ONEOK Partners' directors and executive officers may have interests in the transactions that are different from, or in addition to, the interests they may have as ONEOK Partners common unitholders. See [The Merger Interests of Certain Persons in the Merger](#).

**Opinion of the Financial Advisor to ONEOK**

On January 31, 2017, at the meeting of the ONEOK board at which the merger agreement was approved, J.P. Morgan Securities LLC ( [J.P. Morgan](#) ), the financial advisor to ONEOK in connection with the merger, rendered to the ONEOK board an oral opinion, subsequently confirmed by delivery of a written opinion, dated January 31, 2017, to the effect that, as of such date and based upon and subject to the factors, assumptions, qualifications and any limitations set forth in its written opinion, the exchange ratio in the merger was fair, from a financial point of view, to ONEOK.

The full text of J.P. Morgan's written opinion, dated as of January 31, 2017, is attached as Annex B to this joint proxy statement/prospectus and is incorporated herein by reference. The full text of the opinion contains a discussion of, among other things, the assumptions made, matters considered, and qualifications and any limitations on the opinion and the review undertaken by J.P. Morgan in connection with rendering its opinion. **The summary of the opinion of J.P. Morgan set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of such opinion. ONEOK shareholders are urged to read the opinion carefully and in its entirety.** J.P. Morgan's written opinion was addressed to the ONEOK board (in its capacity as such) in connection with and for the purposes of its evaluation of the merger, was directed only to the fairness, from a financial point of view, to ONEOK of the exchange ratio in the merger and did not address any other aspect of the merger or the other transactions contemplated by the merger agreement. J.P. Morgan expressed no opinion as to the fairness of the exchange ratio to the holders of any class of securities, creditors or other constituencies of ONEOK or as to the underlying decision by ONEOK to engage in the merger. The



## **Table of Contents**

opinion does not constitute a recommendation to any shareholder of ONEOK as to how such shareholder should vote with respect to the merger or any other matter.

For a description of the opinion that the ONEOK board received from J.P. Morgan, see [The Merger Opinion of the Financial Advisor to ONEOK](#).

### **Opinion of the Financial Advisor to the ONEOK Partners Conflicts Committee**

In connection with the proposed transaction, the ONEOK Partners conflicts committee of the ONEOK Partners board received, on January 31, 2017, an oral opinion from Barclays Capital Inc. ( [Barclays](#) ), which was subsequently confirmed in a written opinion, dated as of January 31, 2017, from Barclays, as to the fairness, as of the date of the opinion and based upon and subject to the qualifications, limitations and assumptions stated therein, from a financial point of view, to the ONEOK Partners unaffiliated unitholders of the exchange ratio to be offered to such ONEOK Partners unaffiliated unitholders in the proposed transaction.

**The full text of [Barclays](#) written opinion, which is attached to this joint proxy statement/prospectus as Annex C, sets forth, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken by [Barclays](#) in rendering its opinion. You are encouraged to read the opinion carefully and in its entirety. [Barclays](#) opinion was provided for the information of the ONEOK Partners conflicts committee in connection with its evaluation, from a financial point of view, of the exchange ratio to be offered to ONEOK Partners unaffiliated unitholders and did not address any other aspects or implications of the proposed transaction. [Barclays](#) expressed no view as to, and its opinion does not in any manner address, the underlying business decision to proceed with or effect the proposed transaction, the likelihood of completion of the proposed transaction or the relative merits of the proposed transaction as compared to any other transaction or business strategy in which ONEOK Partners might engage. In addition, [Barclays](#) expressed no view as to, and its opinion does not in any manner address, the fairness of the amount or the nature of any compensation to any officers, directors or employees of any parties to the proposed transaction, or any class of such persons, relative to the exchange ratio in the proposed transaction or otherwise. The summary of [Barclays](#) opinion provided in this joint proxy statement/prospectus is qualified in its entirety by reference to the full opinion. [Barclays](#) opinion is not intended to be and does not constitute a recommendation to any ONEOK Partners unaffiliated unitholder as to how such ONEOK Partners unaffiliated unitholder should vote or act with respect to the proposed transaction or any other matter.**

See [The Merger Opinion of the Financial Advisor to the ONEOK Partners Conflicts Committee](#) beginning on page 66.

### **Interests of Certain Persons in the Merger**

ONEOK Partners common unitholders should be aware that some of the executive officers and directors of ONEOK Partners GP have interests in the transaction that may differ from, or may be in addition to, the interests of ONEOK Partners common unitholders generally. These interests include:

Certain of the executive officers and directors of ONEOK Partners GP are also executive officers and directors of ONEOK.



The directors and officers of ONEOK Partners GP are entitled to continued indemnification and insurance coverage under the merger agreement.

Certain of the directors and executive officers of ONEOK Partners GP beneficially own ONEOK Partners common units and will receive the applicable merger consideration upon completion of the merger.

**Table of Contents**

Certain of the executive officers and certain of the directors of ONEOK Partners GP beneficially own ONEOK common stock.

ONEOK shareholders should be aware that some of the executive officers and directors of ONEOK have interests in the transaction that may differ from, or may be in addition to, the interests of ONEOK shareholders generally. These interests include:

Certain of the executive officers and directors of ONEOK are also executive officers and directors of ONEOK Partners GP.

Certain of the executive officers and certain of the directors of ONEOK beneficially own ONEOK Partners common units, and these directors and executive officers will receive the applicable merger consideration upon completion of the merger.

**Conditions to Completion of the Merger**

ONEOK and ONEOK Partners may not complete the merger unless each of the following conditions is satisfied or waived:

the merger agreement must have been approved by the affirmative vote or consent of holders of a majority of the outstanding ONEOK Partners common units and Class B units, voting together as a single class, at the ONEOK Partners special meeting (the ONEOK Partners unitholder approval );

the ONEOK stock issuance must have been approved by the affirmative vote of holders of a majority of the shares of ONEOK common stock voted at the ONEOK special meeting (the ONEOK shareholder approval );

no law, injunction, judgment or ruling enacted, promulgated, issued, entered, amended or enforced by any governmental authority (each a restraint ) is in effect enjoining, restraining, preventing or prohibiting the completion of the transactions contemplated by the merger agreement or making the completion of the transactions contemplated by the merger agreement illegal;

the registration statement of which this joint proxy statement/prospectus forms a part must have been declared effective under the Securities Act and no stop order suspending the effectiveness of the registration statement will have been issued and no proceedings for that purpose will have been initiated or threatened by the SEC;

the ONEOK common stock deliverable to the ONEOK Partners common unitholders as contemplated by the merger agreement must have been approved for listing on the NYSE, subject to official notice of issuance; and

ONEOK has received an opinion of counsel to the effect that the merger should not be treated as a transaction governed by Section 351(a) of the Internal Revenue Code of 1986, as amended (the Code ). The obligations of ONEOK and Merger Sub to effect the merger are subject to the satisfaction or waiver of the following additional conditions:

the representations and warranties in the merger agreement of ONEOK Partners and ONEOK Partners GP being true and correct as of January 31, 2017 and as of the closing date of the merger, subject to certain standards, including materiality and material adverse effect qualifications, as described The Merger Agreement Conditions to Completion of the Merger ;

ONEOK Partners and ONEOK Partners GP having performed in all material respects all obligations required to be performed by each of them under the merger agreement; and

## **Table of Contents**

the receipt by ONEOK of an officer's certificate signed on behalf of ONEOK Partners and ONEOK Partners GP by an executive officer of ONEOK Partners GP certifying that the preceding conditions have been satisfied.

The obligation of ONEOK Partners to effect the merger is subject to the satisfaction or waiver of the following additional conditions:

the representations and warranties in the merger agreement of ONEOK being true and correct as of January 31, 2017 and as of the closing date of the merger, subject to certain standards, including materiality and material adverse effect qualifications, as described in The Merger Agreement Conditions to Completion of the Merger ;

ONEOK and Merger Sub having performed in all material respects all obligations required to be performed by each of them under the merger agreement; and

the receipt by ONEOK Partners of an officer's certificate signed on behalf of ONEOK by an executive officer of ONEOK certifying that the preceding conditions have been satisfied.

### **ONEOK Partners GP Recommendation and ONEOK Partners Adverse Recommendation Change**

The merger agreement generally provides that, subject to the exceptions described below, the ONEOK Partners conflicts committee and the ONEOK Partners board will not make a ONEOK Partners adverse recommendation change (as defined under The Merger Agreement ONEOK Partners GP Recommendation and ONEOK Partners Adverse Recommendation Change ). However, subject to the conditions described below, the ONEOK Partners conflicts committee and the ONEOK Partners board may, at any time prior to obtaining the ONEOK Partners unitholder approval, make a ONEOK Partners adverse recommendation change in response to an intervening event (as described under The Merger Agreement ONEOK Partners GP Recommendation and ONEOK Partners Adverse Recommendation Change ).

The ONEOK Partners conflicts committee and the ONEOK Partners board may make a ONEOK Partners adverse recommendation change in response to an intervening event only if the ONEOK Partners board or the ONEOK Partners conflicts committee, as applicable, after consultation with its financial advisor and outside legal counsel, determines in good faith that the failure to take such action would be inconsistent with its duties under the ONEOK Partners partnership agreement and applicable law; provided, however, that the ONEOK Partners board or the ONEOK Partners conflicts committee, as applicable, may not take such action pursuant to the foregoing unless it complies with certain provisions of the merger agreement as described under The Merger Agreement ONEOK Partners GP Recommendation and ONEOK Partners Adverse Recommendation Change.

### **ONEOK Partners Unitholder Approval**

ONEOK Partners has agreed to hold a special meeting of the ONEOK Partners unitholders as promptly as practicable for purposes of obtaining the ONEOK Partners unitholder approval. See The ONEOK Partners Special Meeting. This obligation is not affected by the withdrawal or modification by the ONEOK Partners board or the ONEOK Partners conflicts committee of its recommendation or any other action by the ONEOK Partners board or the ONEOK Partners conflicts committee, as the case may be, with respect to the merger agreement or the transactions contemplated by the merger agreement.

The merger agreement also requires ONEOK Partners, through the ONEOK Partners board and the ONEOK Partners conflicts committee, to recommend to the limited partners of ONEOK Partners approval of the merger agreement (subject to the ability of the ONEOK Partners board or the ONEOK Partners conflicts committee to change such recommendation as described herein) and use reasonable best efforts to obtain from the limited partners of ONEOK Partners the ONEOK Partners unitholder approval.

## **Table of Contents**

### **ONEOK Recommendation and ONEOK Adverse Recommendation Change**

The merger agreement generally provides that, subject to the exceptions described below, neither the ONEOK board nor the ONEOK special committee will make a ONEOK adverse recommendation change (as defined under The Merger Agreement ONEOK Recommendation and ONEOK Adverse Recommendation Change ). However, subject to the conditions described below, the ONEOK board or the ONEOK special committee may, at any time prior to obtaining the ONEOK shareholder approval, make a ONEOK adverse recommendation change in response to a superior proposal or an intervening event (each as described under The Merger Agreement ONEOK Recommendation and ONEOK Adverse Recommendation Change ).

The ONEOK board or the ONEOK special committee may make a ONEOK adverse recommendation change in connection with a superior proposal only if ONEOK has received a written alternative proposal that the ONEOK board or the ONEOK special committee believes is bona fide and the ONEOK board or the ONEOK special committee, after consultation with its financial advisors and outside legal counsel, has determined in good faith that such alternative proposal constitutes a superior proposal and that failure to take such action would be inconsistent with its duties under applicable law; provided, however, that neither the ONEOK board nor the ONEOK special committee may take such action pursuant to the foregoing unless it complies with certain provisions of the merger agreement as described under The Merger Agreement ONEOK Recommendation and ONEOK Adverse Recommendation Change.

The ONEOK board or the ONEOK special committee may make a ONEOK adverse recommendation change in response to an intervening event only if the ONEOK board or the ONEOK special committee, after consultation with its financial advisor and outside legal counsel, determines in good faith that the failure to take such action would be inconsistent with its duties under applicable law; provided, however, that neither the ONEOK board nor the ONEOK special committee may take such action pursuant to the foregoing unless it complies with certain provisions of the merger agreement as described under The Merger Agreement ONEOK Recommendation and ONEOK Adverse Recommendation Change.

### **ONEOK Shareholder Approval**

ONEOK has agreed to hold a special meeting of the ONEOK shareholders as promptly as practicable for the purpose of obtaining the ONEOK shareholder approval. See The ONEOK Special Meeting. This obligation is not affected by (i) the commencement, public proposal, public disclosure or communication to ONEOK of any alternative proposal or (ii) the withdrawal or modification by the ONEOK special committee of its recommendation or any other action by the ONEOK board or ONEOK special committee, as the case may be, with respect to the merger agreement or the transactions contemplated by the merger agreement. See The ONEOK Special Meeting.

The merger agreement also requires ONEOK, through the ONEOK special committee, to recommend to the ONEOK shareholders approval of the ONEOK stock issuance (subject to the ability of the ONEOK special committee to change such recommendation as described herein) and use reasonable best efforts to obtain from the ONEOK shareholders the ONEOK shareholder approval.

### **No Solicitation by ONEOK of Alternative Proposals**

The merger agreement contains provisions prohibiting ONEOK from seeking any proposal for an acquisition of 25% or more ONEOK's assets or equity that would reasonably be expected to prevent or materially impede, interfere with, hinder or delay the completion of the transactions contemplated by the merger agreement (an alternative proposal ). Under these no solicitation covenants, ONEOK has agreed that it will



## **Table of Contents**

not, and will cause its subsidiaries and use reasonable best efforts to cause its representatives not to, directly or indirectly, except as permitted by the merger agreement:

solicit, initiate, knowingly facilitate, knowingly encourage (including by way of furnishing confidential information) or knowingly induce or take any other action intended to lead to any inquiries or any proposals that constitute the submission of an alternative proposal; or

enter into any acquisition agreement with respect to any alternative proposal (other than a confidentiality agreement containing customary provisions).

ONEOK has agreed that it will, and will cause its subsidiaries and use reasonable best efforts to cause its representatives to, cease and cause to be terminated any discussions or negotiations with any persons conducted prior to the execution of the merger agreement with respect to an alternative proposal and immediately prohibit any access by any person to confidential information relating to a possible alternative proposal.

Following the date of the merger agreement but prior to obtaining the ONEOK shareholder approval, if ONEOK has received a written alternative proposal that the ONEOK board believes is bona fide and the ONEOK board, after consultation with its financial advisors and outside legal counsel, determines in good faith that such alternative proposal constitutes or could reasonably be expected to lead to or result in a superior proposal and failure to take such action would be inconsistent with its duties under the applicable law, and such alternative proposal did not result from a material breach of the no solicitation covenants in the merger agreement, then the merger agreement permits ONEOK to furnish information with respect to ONEOK and its subsidiaries to the person making such alternative proposal and participate in discussions or negotiations regarding such alternative proposal; provided, however, that (i) ONEOK and its subsidiaries will not, and will use their reasonable best efforts to cause their respective representatives not to, disclose any non-public information to such person unless ONEOK has, or first enters into a confidentiality agreement with such person and (ii) ONEOK provides ONEOK Partners and ONEOK Partners GP any non-public information that was not previously provided or made available to ONEOK Partners and ONEOK Partners GP prior to or substantially concurrently with providing or making available such non-public information to such other person.

## **Termination of the Merger Agreement**

The merger agreement may be terminated prior to the closing of the merger:

by the mutual written consent of ONEOK and ONEOK Partners duly authorized by the ONEOK board or the ONEOK special committee, as the case may be, and the ONEOK Partners conflicts committee; or

by either of ONEOK Partners or ONEOK:

if the closing does not occur on or before September 30, 2017; provided that this termination right will not be available to a party whose failure to perform and comply in all material respects with its covenants and agreements is the cause of the failure of the closing;



if any restraint by a government authority is in effect and has become final and nonappealable; provided, however, that the right to terminate the merger agreement is not available to ONEOK Partners or ONEOK if such restraint was due to the failure of, in the case of ONEOK Partners, ONEOK Partners or ONEOK Partners GP and, in the case of ONEOK, ONEOK or Merger Sub, to perform any of its obligations under the merger agreement;

if the ONEOK Partners unitholder meeting has occurred and the ONEOK Partners unitholder approval has not been obtained; or

if the ONEOK shareholder meeting has occurred and the ONEOK shareholder approval has not been obtained.

**Table of Contents**

by ONEOK:

if the ONEOK Partners board or the ONEOK Partners conflicts committee makes a change in recommendation;

if ONEOK Partners or ONEOK Partners GP has breached or failed to perform any of its covenants or agreements in the merger agreement, or any representations or warranties become untrue, in a way that the related condition to closing would not be satisfied, and such breach is either incurable or not cured within 30 days; or

if ONEOK is terminating the merger agreement to enter into a definitive agreement relating to a superior proposal in accordance with the terms of the merger agreement.

by ONEOK Partners:

if the ONEOK board or the ONEOK special committee makes a change in recommendation;

if ONEOK has breached or failed to perform any of its covenants or agreements in the merger agreement, or any representations or warranties become untrue, in a way that the related condition to closing would not be satisfied, and such breach is either incurable or not cured within 30 days; or

if ONEOK Partners is terminating the merger agreement in response to an intervening event in accordance with the terms of the merger agreement.

**Fees and Expenses**

If the merger agreement is validly terminated, then, except as described below, each of the parties will be relieved of its duties and obligations and such termination will be without liability to either party. However, termination will not relieve either party of any liability for fraud or any willful breach of any covenant or agreement contained in the merger agreement prior to termination. In the event of fraud or a willful breach, the aggrieved party is entitled to all rights and remedies available at law or in equity.

The merger agreement contains various amounts payable under the circumstances described below:

if the merger agreement is terminated by ONEOK Partners or ONEOK due to the failure of the closing of the merger to occur prior to September 30, 2017, then ONEOK shall reimburse ONEOK Partners for its reasonable expenses (up to \$10,000,000);

if the merger agreement is terminated by ONEOK Partners or ONEOK due to failure to obtain the required ONEOK Partners unitholder approval and there has not been a ONEOK Partners adverse recommendation change, then ONEOK shall reimburse ONEOK Partners for its reasonable expenses (up to \$10,000,000);

if the merger agreement is terminated by ONEOK Partners or ONEOK due to the failure to obtain the required ONEOK shareholder approval and there has not been a ONEOK adverse recommendation change, then ONEOK shall reimburse ONEOK Partners for its reasonable expenses (up to \$20,000,000);

if the merger agreement is terminated by ONEOK Partners due to a material breach by ONEOK of any of its covenants, representations or warranties, then ONEOK shall cause ONEOK Partners GP to execute an amendment to the ONEOK Partners partnership agreement to reduce the aggregate incentive distributions payable to ONEOK by \$100,000,000;

if an alternative proposal is publicly made prior to the ONEOK shareholders meeting and the merger agreement is terminated by ONEOK Partners or ONEOK due to the failure to obtain the required ONEOK shareholder approval, and, within twelve months of termination, ONEOK (or any of its

## **Table of Contents**

subsidiaries) enters into a definitive agreement with respect to an alternative proposal or consummates an alternative proposal, then ONEOK shall cause ONEOK Partners GP to execute an amendment to the ONEOK Partners partnership agreement to reduce the aggregate incentive distributions payable to ONEOK by \$300,000,000;

if the merger agreement is terminated by ONEOK to enter into a definitive agreement relating to a superior proposal, then ONEOK shall cause ONEOK Partners GP to execute an amendment to the ONEOK Partners partnership agreement to reduce the aggregate incentive distributions payable to ONEOK by \$300,000,000;

if the merger agreement is terminated by ONEOK Partners due to a ONEOK change of recommendation, then ONEOK shall cause ONEOK Partners GP to execute an amendment to the ONEOK Partners partnership agreement to reduce the aggregate incentive distributions payable to ONEOK by \$300,000,000;

if the merger agreement is terminated by ONEOK due to a ONEOK Partners change of recommendation, then ONEOK Partners shall pay \$50,000,000 to ONEOK; provided, however, that if the intervening event, in response to which the ONEOK Partners conflicts committee has changed its recommendation, is a material event, fact or circumstance, development or occurrence that is the direct and reasonably foreseeable result of a deliberate act by ONEOK (or its affiliates), then ONEOK Partners shall only reimburse ONEOK for its reasonable expenses (up to \$10,000,000);

if the merger agreement is terminated by ONEOK due to a material breach by ONEOK Partners of any of its covenants, representations or warranties, then ONEOK Partners shall reimburse ONEOK for its reasonable expenses (up to \$10,000,000); or

if the merger agreement is terminated by ONEOK Partners as a result of an intervening event, then ONEOK Partners shall pay ONEOK an amount equal to \$300,000,000; provided, however, that if the intervening event, in response to which the ONEOK Partners conflicts committee has elected to terminate the merger agreement, is a material event, fact or circumstance, development or occurrence that is the direct and reasonably foreseeable result of a deliberate act by ONEOK (or its affiliates), then ONEOK Partners shall only reimburse ONEOK for its reasonable expenses (up to \$10,000,000).

### **ONEOK Partners Conflicts Committee**

ONEOK has agreed, until the effective time of the merger or the termination of the merger agreement, not to, without the consent of holders of a majority of the then existing ONEOK Partners conflicts committee, take any action (or allow its subsidiaries to take any action) intended to cause ONEOK Partners GP to eliminate the ONEOK Partners conflicts committee, revoke or diminish the authority of the ONEOK Partners conflicts committee or remove or cause the removal of any director of the ONEOK Partners board that is a member of the ONEOK Partners conflicts committee either as a director or member of such committee.

### **United States Federal Income Tax Consequences of the Merger**

The receipt of ONEOK common stock and cash in lieu of fractional shares, if any, in exchange for ONEOK Partners common units pursuant to the merger agreement should be a taxable transaction for U.S. federal income tax purposes

to U.S. Holders. In such case, a U.S. Holder who receives ONEOK common stock and cash in lieu of fractional shares, if any, in exchange for ONEOK Partners common units pursuant to the merger agreement will recognize gain or loss in an amount equal to the difference between:

the sum of (i) the fair market value of the ONEOK common stock received, (ii) the amount of any cash received in lieu of fractional shares, and (iii) such U.S. Holder's share of ONEOK Partners' nonrecourse liabilities immediately prior to the merger; and

## **Table of Contents**

such U.S. Holder's adjusted tax basis in the ONEOK Partners common units exchanged therefor (which includes such U.S. Holder's share of ONEOK Partners' nonrecourse liabilities immediately prior to the merger).

Gain or loss recognized by a U.S. Holder will generally be taxable as capital gain or loss. However, a portion of this gain or loss, which could be substantial, will be separately computed and taxed as ordinary income or loss under Section 751 of the Code to the extent attributable to unrealized receivables, including depreciation recapture, or to inventory items owned by ONEOK Partners and its subsidiaries. Passive losses that were not deductible by a U.S. Holder in prior taxable periods because they exceeded a U.S. Holder's share of ONEOK Partners' income may become available to offset a portion of the gain recognized by such U.S. Holder.

The U.S. federal income tax consequences of the merger to a ONEOK Partners common unitholder will depend on such common unitholder's own personal tax situation. Accordingly, you are strongly urged to consult your tax advisor for a full understanding of the particular tax consequences of the merger to you.

See *United States Federal Income Tax Consequences* for a more complete discussion of U.S. federal income tax consequences of the merger.

## **No Appraisal Rights**

Neither ONEOK shareholders nor ONEOK Partners unitholders are entitled to appraisal rights in connection with the merger under applicable law or contractual appraisal rights under ONEOK's organizational documents, the ONEOK Partners partnership agreement or the merger agreement.

## **Listing of ONEOK Common Stock to be Issued in the Merger; Delisting and Deregistration of ONEOK Partners Common Units**

ONEOK expects to obtain approval to list, on the NYSE, the ONEOK common stock to be issued pursuant to the merger agreement, which approval is a condition to the merger. Upon completion of the merger, ONEOK Partners common units currently listed on the NYSE will cease to be listed on the NYSE and will be subsequently deregistered under the Exchange Act.

## **Accounting Treatment of the Merger**

The merger will be accounted for in accordance with Financial Accounting Standards Board Accounting Standards Codification (ASC) 810, Consolidation (ASC 810). Because ONEOK controls ONEOK Partners both before and after the merger, the changes in ONEOK's ownership interest in ONEOK Partners resulting from the merger will be accounted for as an equity transaction, and no gain or loss will be recognized in ONEOK's consolidated income statement. In addition, the tax effects of the merger are reported as adjustments to other assets, deferred income taxes and additional paid-in capital consistent with ASC 740, Income Taxes (ASC 740).

## **Timing of the Merger**

The merger is expected to be completed by \_\_\_\_\_, 2017, subject to the receipt of shareholder and unitholder approvals and the satisfaction or waiver of other closing conditions. For a discussion of the timing of the merger, see *The Merger Agreement* *The Merger; Effective Time; Closing* beginning on page 90.

## **Comparison of the Rights of ONEOK Shareholders and ONEOK Partners Common Unitholders**

A limited partnership is inherently different from a corporation. Ownership interests in a limited partnership are therefore fundamentally different from ownership interests in a corporation. ONEOK Partners common

## **Table of Contents**

unitholders will own ONEOK common stock following the completion of the merger, and their rights associated with the ONEOK common stock will be governed by ONEOK's organizational documents and the OGCA, which differ in a number of respects from the ONEOK Partners partnership agreement and Delaware Revised Uniform Limited Partnership Act (the Delaware LP Act).

## **Summary of Risk Factors**

You should consider carefully all the risk factors together with all of the other information included in this joint proxy statement/prospectus before deciding how to vote. The risks related to the merger and the related transactions, ONEOK's business, ONEOK common stock and risks resulting from ONEOK's organizational structure are described under Risk Factors beginning on page 22. Some of these risks include, but are not limited to, those described below:

The merger is subject to conditions, including some conditions that may not be satisfied on a timely basis, if at all. Failure to complete the merger, or significant delays in completing the merger, could negatively affect each party's future business and financial results and the trading prices of ONEOK common stock and ONEOK Partners common units.

Because the exchange ratio is fixed and because the market price of ONEOK common stock will fluctuate prior to the completion of the merger, ONEOK Partners common unitholders cannot be sure of the market value of the ONEOK common stock they will receive as merger consideration relative to the value of ONEOK Partners common units they exchange.

If the merger is approved by ONEOK Partners unitholders, the date that common unitholders will receive the merger consideration is uncertain.

ONEOK and ONEOK Partners may incur substantial transaction-related costs in connection with the merger.

Certain executive officers and directors of ONEOK Partners GP and ONEOK have interests in the merger that are different from, or in addition to, the interests they may have as ONEOK Partners common unitholders or ONEOK shareholders, respectively, which could have influenced their decision to support or approve the merger.

Financial projections by ONEOK and ONEOK Partners may not prove to be necessarily predictive of actual future results.

The merger should be a taxable transaction and, in such case, the resulting tax liability of a ONEOK Partners common unitholder, if any, will depend on the unitholder's particular situation.



The tax liability of a ONEOK Partners common unitholder as a result of the merger could be more than expected.

The U.S. federal income tax treatment of owning and disposing of ONEOK common stock received in the merger will be different than the U.S. federal income tax treatment of owning and disposing of ONEOK Partners common units.

ONEOK's future tax liability may be greater than expected if it does not generate net operating losses ( NOLs ) sufficient to offset taxable income or if tax authorities challenge certain of its tax positions.

ONEOK's ability to use NOLs to offset future income may be limited.

**Table of Contents****SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF ONEOK**

The following selected historical consolidated financial data as of and for each of the years ended December 31, 2016 and 2015 are derived from ONEOK's audited consolidated financial statements incorporated by reference into this joint proxy statement/prospectus. Historical consolidated financial data as of and for each of the years ended December 31, 2014, 2013 and 2012 are derived from ONEOK's consolidated financial statements not incorporated by reference into this joint proxy statement/prospectus. However, certain prior period balances have been recast to reflect the retrospective application of adopted Accounting Standards Updates issued by the Financial Accounting Standards Board. On January 31, 2014, ONEOK completed the separation of its former natural gas distribution business into a stand-alone publicly traded company, ONE Gas, Inc., and ONEOK completed the wind down of its former energy services business on March 31, 2014. For all periods presented, the results of operations and financial position of ONEOK's former natural gas distribution and energy services businesses are reflected as discontinued operations. The following data should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and the related notes thereto set forth in ONEOK's Annual Report on Form 10-K for the year ended December 31, 2016, which is incorporated by reference into this joint proxy statement/prospectus. It should not be assumed the results of operations for any past period indicate results for any future period. For more information, see [Where You Can Find More Information](#) beginning on page 151.

| ONEOK, Inc.   | Years Ended December 31,                       |             |             |             |             |
|---|--|-------------|-------------|-------------|-------------|
|   | 2016   | 2015        | 2014        | 2013        | 2012        |
|   | <i>(In millions, except per share amounts)</i> |             |             |             |             |
| <b>Income and cash flow data</b>                              |  |             |             |             |             |
| Total revenues  | \$ 8,920.9                                     | \$ 7,763.2  | \$ 12,195.1 | \$ 11,871.9 | \$ 10,184.1 |
| Operating income  | \$ 1,285.7                                     | \$ 996.2    | \$ 1,143.6  | \$ 880.6    | \$ 953.5    |
| Income from continuing operations                             | \$ 745.6                                       | \$ 385.3    | \$ 668.7    | \$ 589.1    | \$ 677.7    |
| Income (loss) from discontinued operations, net of tax        | \$ (2.1)                                       | \$ (6.1)    | \$ (5.6)    | \$ (12.1)   | \$ 52.3     |
| Net income  | \$ 743.5                                       | \$ 379.2    | \$ 663.1    | \$ 577.0    | \$ 743.5    |
| Net income attributable to ONEOK                              | \$ 352.0                                       | \$ 245.0    | \$ 314.1    | \$ 266.5    | \$ 360.6    |
| Net income per common share - basic                           | \$ 1.67  | \$ 1.17     | \$ 1.50     | \$ 1.29     | \$ 1.75     |
| Net income per common share - diluted                         | \$ 1.66  | \$ 1.16     | \$ 1.49     | \$ 1.27     | \$ 1.71     |
| Dividends declared per share of common stock                  | \$ 2.46  | \$ 2.43     | \$ 2.125    | \$ 1.48     | \$ 1.27     |
| Capital expenditures  | \$ 624.6                                       | \$ 1,188.3  | \$ 1,779.2  | \$ 2,256.6  | \$ 1,866.2  |
| <b>Balance sheet data (at end of period)</b>                  |  |             |             |             |             |
| Property, plant and equipment, net                            | \$ 12,571.4                                    | \$ 12,374.0 | \$ 11,662.4 | \$ 9,232.0  | \$ 7,264.6  |
| Total assets  | \$ 16,138.8                                    | \$ 15,446.1 | \$ 15,261.8 | \$ 17,692.2 | \$ 15,857.1 |
| Long-term debt, including current maturities - ONEOK          | \$ 1,631.6                                     | \$ 1,631.2  | \$ 1,148.9  | \$ 1,700.9  | \$ 1,701.3  |
| Long-term debt, including current maturities - ONEOK Partners | \$ 6,699.0                                     | \$ 6,803.0  | \$ 6,011.9  | \$ 6,014.1  | \$ 4,779.5  |
| Total equity  | \$ 3,428.9                                     | \$ 3,766.3  | \$ 4,005.9  | \$ 4,845.2  | \$ 4,232.5  |



**Table of Contents****SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF ONEOK PARTNERS**

The following selected historical consolidated financial data as of and for each of the years ended December 31, 2016 and 2015 are derived from ONEOK Partners' audited consolidated financial statements incorporated by reference into this joint proxy statement/prospectus. Historical consolidated financial data as of and for each of the years ended December 31, 2014, 2013 and 2012 are derived from ONEOK Partners' consolidated financial statements not incorporated by reference into this joint proxy statement/prospectus. However, certain prior period balances have been recast to reflect the retrospective application of adopted Accounting Standards Updates issued by the Financial Accounting Standards Board. The following data should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and the related notes thereto set forth in ONEOK Partners' Annual Report on Form 10-K for the year ended December 31, 2016, which is incorporated by reference into this joint proxy statement/prospectus. It should not be assumed the results of operations for any past period indicate results for any future period. For more information, see [Where You Can Find More Information](#) beginning on page 151.

| ONEOK Partners L.P.                                      | 2016        | Year Ended December 31,                       |             |             |             | 2012 |
|--|-------------|---|-------------|-------------|-------------|------|
|  |             | 2015  | 2014        | 2013        | 2012        |      |
|  |             | <i>(In millions, except per unit amounts)</i> |             |             |             |      |
| <b>Income and cash flow data</b>                         |             |   |             |             |             |      |
| Total revenues   | \$ 8,918.5  | \$ 7,761.1                                    | \$ 12,191.7 | \$ 11,869.3 | \$ 10,182.2 |      |
| Operating income   | \$ 1,316.1  | \$ 998.1                                      | \$ 1,148.8  | \$ 900.7    | \$ 962.9    |      |
| Net income   | \$ 1,072.3  | \$ 597.9                                      | \$ 911.3    | \$ 804.0    | \$ 888.4    |      |
| Net income attributable to ONEOK Partners                | \$ 1,066.8  | \$ 589.5                                      | \$ 910.3    | \$ 803.6    | \$ 888.0    |      |
| Limited partners' net income per unit, basic and diluted | \$ 2.25     | \$ 0.73                                       | \$ 2.33     | \$ 2.35     | \$ 3.04     |      |
| Distributions paid per unit                              | \$ 3.16     | \$ 3.16                                       | \$ 3.01     | \$ 2.87     | \$ 2.59     |      |
| Capital expenditures                                     | \$ 621.7    | \$ 1,186.1                                    | \$ 1,746.0  | \$ 1,939.3  | \$ 1,560.5  |      |
| <b>Balance sheet data (at end of period)</b>             |             |   |             |             |             |      |
| Property, plant and equipment, net                       | \$ 12,462.7 | \$ 12,256.8                                   | \$ 11,535.5 | \$ 9,102.4  | \$ 7,144.3  |      |
| Total assets   | \$ 15,469.3 | \$ 14,927.6                                   | \$ 14,600.4 | \$ 12,824.2 | \$ 10,927.4 |      |
| Long-term debt, including current maturities             | \$ 6,699.0  | \$ 6,803.0                                    | \$ 6,011.9  | \$ 6,014.1  | \$ 4,779.5  |      |
| Total equity   | \$ 6,177.8  | \$ 6,497.3                                    | \$ 6,118.8  | \$ 4,998.7  | \$ 4,463.5  |      |

Table of Contents

**SELECTED UNAUDITED PRO FORMA CONDENSED CONSOLIDATED  
FINANCIAL INFORMATION**

The following table sets forth selected unaudited pro forma condensed consolidated financial information for ONEOK after giving effect to the merger. The selected unaudited pro forma condensed consolidated financial information is derived from the unaudited pro forma condensed consolidated financial statements included in this joint proxy statement/prospectus and should be read in conjunction with the section entitled Unaudited Pro Forma Condensed Consolidated Financial Statements and related notes included in this joint proxy statement/prospectus beginning on page 153.

| <b>ONEOK, Inc.</b>                           | <b>Year Ended<br/>December 31,<br/>2016</b><br><i>(In millions,<br/>except<br/>per share amounts)</i> |
|--|---|
| <b>Pro forma income data</b>                 |   |
| Total revenues                               | \$ 8,921  |
| Operating income                             | \$ 1,289  |
| Net income attributable to ONEOK             | \$ 597  |
| Net income per common share - basic          | \$ 1.57   |
| Net income per common share - diluted        | \$ 1.57   |
| <b>Pro forma balance sheet data</b>          |   |
| Total assets                                 | \$ 16,828   |
| Long-term debt, including current maturities | \$ 8,331  |
| Total shareholder s equity                   | \$ 5,717  |

**Table of Contents****COMPARATIVE PER SHARE AND PER UNIT INFORMATION**

The following table sets forth (i) historical per share information of ONEOK, (ii) the unaudited pro forma per share information of ONEOK after giving pro forma effect to the proposed merger and the transactions contemplated thereby, including ONEOK's issuance of 0.985 of a share of ONEOK common stock for each outstanding ONEOK Partners common unit not owned by ONEOK or its subsidiaries and (iii) the historical and equivalent pro forma per share information for ONEOK Partners.

This information should be read in conjunction with (i) the summary historical financial information included elsewhere in this joint proxy statement/prospectus, (ii) the historical consolidated financial statements of ONEOK and ONEOK Partners and related notes that are incorporated by reference in this joint proxy statement/prospectus and (iii) the Unaudited Pro Forma Condensed Consolidated Financial Statements and related notes included elsewhere in this joint proxy statement/prospectus. The unaudited pro forma per share and unit information does not purport to represent what the actual results of operations of ONEOK and ONEOK Partners would have been had the proposed merger been completed in another period or to project ONEOK's and ONEOK Partners' results of operations that may be achieved if the proposed merger is completed.

|   | <b>Year Ended<br/>December 31,<br/>2016</b> |
|---|---|
| <b>ONEOK, Inc.</b>  |   |
| <b>Historical - ONEOK</b>                                 |   |
| Income from continuing operations per share - basic       | \$ 1.68                                     |
| Income from continuing operations per share - diluted     | \$ 1.67                                     |
| Dividends per share declared for the period               | \$ 2.46                                     |
| Book value per share (a)                                  | \$ 0.90                                     |
| <b>Historical - ONEOK Partners</b>                        |   |
| Limited partners net income per unit - basic and diluted  | \$ 2.25                                     |
| Distributions per unit declared for the period            | \$ 3.16                                     |
| Book value per unit (a)                                   | \$ 21.06                                    |
| <b>Pro forma combined - ONEOK</b>                         |   |
| Income from continuing operations per share - basic (b)   | \$ 1.58                                     |
| Income from continuing operations per share - diluted (b) | \$ 1.57                                     |
| Dividends per share declared for the period (c)           | \$ 2.79                                     |
| Book value per share (d)                                  | \$ 14.64                                    |
| <b>Equivalent pro forma combined - ONEOK Partners (e)</b> |   |
| Income from continuing operations per share - basic       | \$ 1.56                                     |
| Income from continuing operations per share - diluted     | \$ 1.55                                     |
| Dividends per share declared for the period               | \$ 2.75                                     |
| Book value per share                                      | \$ 14.42                                    |

(a) The historical book value per share or unit was calculated as follows (in millions, except per share or unit amounts):

|   | <b>Year Ended</b>        |                 |
|---|--------------------------|-----------------|
|   | <b>December 31, 2016</b> |                 |
|   | <b>ONEOK</b>             | <b>Partners</b> |
| Equity or capital, as applicable, before noncontrolling interests     | \$ 188.7                 | \$ 6,019.7      |
| Divided by: Number of shares or units outstanding as of end of period | 210.7                    | 285.8           |
| Book value per share or unit outstanding                              | \$ 0.90                  | \$ 21.06        |

**Table of Contents**

- (b) Amounts are from the unaudited pro forma condensed consolidated financial statements included under Unaudited Pro Forma Condensed Consolidated Financial Statements.
- (c) The pro forma combined - ONEOK dividends declared amounts were calculated as follows (in millions, except per share or unit amounts):

|   | Year Ended December 31, 2016 |                |            |
|---|------------------------------|----------------|------------|
|   | ONEOK                        | ONEOK Partners | Total      |
| Declared dividends or distributions, as applicable, for the period to the public (historical) | \$ 517.6                     | \$ 541.9       | \$ 1,059.5 |
| Divided by: Pro forma combined number of shares outstanding (f)                               |                              |                | 379.6      |
| Dividends per share declared for the period (pro forma)                                       |                              |                | \$ 2.79    |

- (d) The pro forma combined - ONEOK, book value per share was calculated as follows (in millions, except per share amounts):

|   | As of<br>December 31,<br>2016 |
|---|-------------------------------|
| Equity before noncontrolling interests                          | \$ 5,559.1                    |
| Divided by: Pro forma combined number of shares outstanding (f) | 379.6                         |
| Book value per share  | \$ 14.64                      |

- (e) Equivalent pro forma amounts are calculated by multiplying pro forma combined ONEOK amounts by the exchange ratio of 0.985.
- (f) Pro forma combined number of shares calculated as follows (in millions, except exchange ratio):

|   | Year Ended December 31,<br>2016 |                |       |
|---|---------------------------------|----------------|-------|
|   | ONEOK                           | ONEOK Partners | Total |
| Number of public shares outstanding             | 210.7                           | 171.5          |       |
| Exchange ratio                                  |                                 | 0.985          |       |
| Number of public shares outstanding (pro forma) | 210.7                           | 168.9          | 379.6 |



## Supplemental Information

Pursuant to the Section 6.11 of the merger agreement, ONEOK management intends to recommend to the ONEOK board an increase to the quarterly dividend on the ONEOK common stock of approximately 21% to \$0.745 per share (an annualized dividend of \$2.98 per share) for the first dividend declaration immediately following completion of the merger. As such, the pro forma dividends declared per share for the period would have been \$2.98 per share rather than the \$2.79 per share shown in (c) above.

ONEOK is not required to pay dividends on its common stock under the ONEOK certificate of incorporation or the OGCA. Subject to preferences that may be applicable to any outstanding shares or series of preferred stock, ONEOK shareholders are only entitled to receive ratably such dividends (payable in cash, stock or otherwise), if any, as may be declared from time to time by the ONEOK board out of funds legally available for dividend payments. The ONEOK board makes a determination each quarter as to the actual amount, if any, of dividends to pay on the ONEOK common stock, based on various factors, some of which are beyond its control, including ONEOK's operating cash flows, ONEOK's working capital needs, ONEOK's ability to access capital markets for debt and equity financing on reasonable terms, the restrictions contained in ONEOK's indentures and credit facility, ONEOK's debt service requirements, credit metrics and the cost of acquisitions, if any. ONEOK may not have sufficient cash each quarter to pay dividends or maintain current or expected levels of dividends. Accordingly, ONEOK cannot guarantee that any dividends will be declared or paid in the future.

**Table of Contents****MARKET PRICES, DIVIDEND AND DISTRIBUTION INFORMATION**

Shares of ONEOK common stock are traded on the NYSE under the ticker symbol OKE and the ONEOK Partners common units are traded on the NYSE under the ticker symbol OKS. The following table sets forth, for the periods indicated, the range of high and low sales prices for ONEOK common stock and ONEOK Partners common units, on the NYSE composite tape, as well as information concerning quarterly cash dividends declared and paid on the ONEOK common stock and cash distributions declared and paid on the ONEOK Partners common units. The sales prices are as reported in published financial sources.

|                | ONEOK Common Stock |          |                         | ONEOK Partners Common Units |          |                             |
|----------------|--------------------|----------|-------------------------|-----------------------------|----------|-----------------------------|
|                | High               | Low      | Dividend <sup>(1)</sup> | High                        | Low      | Distribution <sup>(2)</sup> |
| <b>2014</b>    |                    |          |                         |                             |          |                             |
| First quarter  | \$ 68.49           | \$ 57.78 | \$ 0.40                 | \$ 57.09                    | \$ 50.10 | \$ 0.745                    |
| Second quarter | \$ 68.08           | \$ 58.48 | \$ 0.56                 | \$ 58.60                    | \$ 53.78 | \$ 0.76                     |
| Third quarter  | \$ 70.98           | \$ 62.03 | \$ 0.575                | \$ 59.43                    | \$ 54.20 | \$ 0.775                    |
| Fourth quarter | \$ 64.72           | \$ 44.30 | \$ 0.59                 | \$ 56.11                    | \$ 38.23 | \$ 0.79                     |
| <b>2015</b>    |                    |          |                         |                             |          |                             |
| First quarter  | \$ 49.92           | \$ 40.23 | \$ 0.605                | \$ 46.05                    | \$ 38.00 | \$ 0.79                     |
| Second quarter | \$ 51.07           | \$ 38.83 | \$ 0.605                | \$ 43.35                    | \$ 34.00 | \$ 0.79                     |
| Third quarter  | \$ 41.40           | \$ 30.86 | \$ 0.605                | \$ 35.24                    | \$ 27.79 | \$ 0.79                     |
| Fourth quarter | \$ 39.58           | \$ 18.93 | \$ 0.615                | \$ 34.93                    | \$ 22.73 | \$ 0.79                     |
| <b>2016</b>    |                    |          |                         |                             |          |                             |
| First quarter  | \$ 30.82           | \$ 19.62 | \$ 0.615                | \$ 33.02                    | \$ 22.20 | \$ 0.79                     |
| Second quarter | \$ 47.45           | \$ 28.37 | \$ 0.615                | \$ 40.25                    | \$ 29.67 | \$ 0.79                     |
| Third quarter  | \$ 51.39           | \$ 42.99 | \$ 0.615                | \$ 42.11                    | \$ 36.86 | \$ 0.79                     |
| Fourth quarter | \$ 59.03           | \$ 46.44 | \$ 0.615                | \$ 46.46                    | \$ 38.69 | \$ 0.79                     |

(1) Represents cash dividends per ONEOK share declared and paid in the quarter presented.

(2) Represents cash distributions per ONEOK Partners common unit declared with respect to the quarter presented and paid in the following quarter.

As of \_\_\_\_\_, 2017, the record date for the ONEOK special meeting, there were \_\_\_\_\_ shares of ONEOK common stock outstanding held by \_\_\_\_\_ holders of record. ONEOK intends to pay to the ONEOK shareholders, on a quarterly basis, dividends based on the cash it receives from its ONEOK Partners distributions in accordance with the ONEOK Partners partnership agreement, less reserves for expenses, future dividends and other uses of cash. If ONEOK Partners is successful in implementing its business strategy and increasing distributions to its partners, ONEOK would generally expect to increase dividends to the ONEOK shareholders, although the timing and amount of any such increased dividends may not necessarily be comparable to any increased ONEOK Partners distributions. ONEOK cannot guarantee that any dividends will be declared or paid in the future.

As of \_\_\_\_\_, 2017, the record date for the ONEOK Partners special meeting, there were \_\_\_\_\_ ONEOK Partners common units outstanding held by \_\_\_\_\_ holders of record. The ONEOK Partners partnership agreement requires, within 45 days after the end of each quarter, ONEOK Partners to distribute all of its available cash, as defined in the ONEOK Partners partnership agreement, to ONEOK Partners common unitholders of record on the applicable record date. The payment of quarterly cash distributions by ONEOK Partners in the future will depend

on the amount of its available cash at the end of each quarter. ONEOK Partners common unitholders will not receive both distributions from ONEOK Partners and dividends from ONEOK for the same quarter.

**Table of Contents**

ONEOK management intends to recommend to the ONEOK board an increase to the quarterly dividend on the ONEOK common stock of approximately 21% to \$0.745 per share (an annualized dividend of \$2.98 per share) for the first dividend declaration date immediately following the completion of the merger. The current annualized distribution for each ONEOK Partners common unit is \$3.16 (based on the quarterly distribution of \$0.79 for each ONEOK Partners common unit that was declared and paid with respect to the quarter ended December 31, 2016). Based on the exchange ratio, the annualized distribution for each ONEOK Partners common unit exchanged for 0.985 of a share of ONEOK common stock is expected to be approximately \$2.94 (based on the expected quarterly dividend of \$0.745 per ONEOK common share) following the completion of the merger. Accordingly, a ONEOK Partners common unitholder is expected to initially receive approximately 7% less in quarterly cash distributions after giving effect to the merger, but through expected dividend growth over time, dividends are expected to exceed the amount of distributions ONEOK Partners unitholders currently receive. ONEOK expects the merger to result in substantially more cash flow at ONEOK, which will be available for various purposes, including the payment of dividends. Based upon the expected financial benefits of the merger, ONEOK expects that the merger will allow ONEOK to increase significantly its quarterly dividend and to maintain a dividend coverage ratio greater than 1.2 times. See *The Merger Unaudited Projected Financial Information* on page 51.

ONEOK is not required to pay dividends on its common stock under the ONEOK certificate of incorporation or the OGCA. Subject to preferences that may be applicable to any outstanding shares or series of preferred stock, ONEOK shareholders are only entitled to receive ratably such dividends (payable in cash, stock or otherwise), if any, as may be declared from time to time by the ONEOK board out of funds legally available for dividend payments. The ONEOK board makes a determination each quarter as to the actual amount, if any, of dividends to pay on the ONEOK common stock, based on various factors, some of which are beyond its control, including ONEOK's operating cash flows, ONEOK's working capital needs, ONEOK's ability to access capital markets for debt and equity financing on reasonable terms, the restrictions contained in ONEOK's indentures and credit facility, ONEOK's debt service requirements, credit metrics and the cost of acquisitions, if any. ONEOK may not have sufficient cash each quarter to pay dividends or maintain current or expected levels of dividends. Accordingly, ONEOK cannot guarantee that any dividends will be declared or paid in the future.

The following table presents per share or unit closing prices for ONEOK common stock and ONEOK Partners common units, respectively, on January 31, 2017, the last trading day before the public announcement of the merger as reported on the NYSE. This table also presents the equivalent market value per ONEOK Partners common unit on such dates. The equivalent market value for ONEOK Partners common units has been determined by multiplying the closing price of ONEOK common stock on those dates by the exchange ratio.

|                  | ONEOK<br>Shares | ONEOK<br>Partners<br>Common<br>Units | Equivalent<br>Market<br>Value<br>per<br>ONEOK<br>Partners<br>Common<br>Unit |
|------------------|-----------------|--------------------------------------|---|
| January 31, 2017 | \$ 55.11        | \$ 43.14                             | \$ 54.28  |

**Because the exchange ratio is fixed and because the market price of ONEOK common stock will fluctuate prior to the completion of the merger, ONEOK Partners common unitholders cannot be sure of the market value of the ONEOK common stock they will receive as merger consideration relative to the value of ONEOK Partners**

**common units they exchange. See Risk Factors beginning on page 22.**

---

**Table of Contents**

**RISK FACTORS**

*In addition to the other information included and incorporated by reference into this joint proxy statement/prospectus, including the matters addressed in the section titled **Cautionary Statement Regarding Forward-Looking Statements**, you should carefully consider the following risks before deciding whether to vote for the approval of the applicable proposals described in this joint proxy statement/prospectus. In addition, you should read and carefully consider the risks associated with each of ONEOK and ONEOK Partners and their respective businesses. These risks can be found in ONEOK's and ONEOK Partners' respective Annual Reports on Form 10-K for the year ended December 31, 2016, as updated by subsequent Quarterly Reports on Form 10-Q, all of which are filed with the SEC and incorporated by reference into this joint proxy statement/prospectus. For further information regarding the documents incorporated into this joint proxy statement/prospectus by reference, please see the section titled **Where You Can Find More Information** beginning on page 151. Realization of any of the risks described below, any of the events described under **Cautionary Statement Regarding Forward-Looking Statements** or any of the risks or events described in the documents incorporated by reference could have a material adverse effect on ONEOK's, ONEOK Partners' or the combined organization's businesses, financial condition, cash flows and results of operations and could result in a decline in the trading prices of the ONEOK common stock or the ONEOK Partners common units.*

**Risks Related to the Merger**

***The merger is subject to conditions, including some conditions that may not be satisfied on a timely basis, if at all. Failure to complete the merger, or significant delays in completing the merger, could negatively affect each party's future business and financial results and the trading prices of ONEOK common stock and ONEOK Partners common units.***

The completion of the merger is subject to a number of conditions. The completion of the merger is not assured and is subject to risks, including the risk that the ONEOK shareholder approval or the ONEOK Partners unitholder approval is not obtained. Further, the merger may not be completed even if the ONEOK shareholder approval and the ONEOK Partners unitholder approval are obtained. The merger agreement contains conditions, some of which are beyond the parties' control, that, if not satisfied or waived, may prevent, delay or otherwise result in the merger not occurring. See **The Merger Agreement - Conditions to Completion of the Merger**.

If the merger is not completed, or if there are significant delays in completing the merger, ONEOK's and ONEOK Partners' future business and financial results and the trading prices of ONEOK common stock and ONEOK Partners common units could be negatively affected, and each of the parties will be subject to several risks, including the following:

the parties may be liable for fees or expenses to one another under the terms and conditions of the merger agreement;

there may be negative reactions from the financial markets due to the fact that current prices of ONEOK common stock and ONEOK Partners common units may reflect a market assumption that the merger will be completed; and

the attention of management will have been diverted to the merger rather than their own operations and pursuit of other opportunities that could have been beneficial to their respective businesses.

***Because the exchange ratio is fixed and because the market price of ONEOK common stock will fluctuate prior to the completion of the merger, ONEOK Partners common unitholders cannot be sure of the market value of the ONEOK common stock they will receive as merger consideration relative to the value of ONEOK Partners common units they exchange.***

The market value of the consideration that ONEOK Partners common unitholders will receive in the merger will depend on the trading price of ONEOK common stock at the closing of the merger. The exchange ratio that

**Table of Contents**

determines the number of shares of ONEOK common stock that ONEOK Partners common unitholders will receive in the merger is fixed at 0.985 of a share of ONEOK common stock for each ONEOK Partners common unit. This means that there is no mechanism contained in the merger agreement that would adjust the number of shares of ONEOK common stock that ONEOK Partners common unitholders will receive based on any decreases or increases in the trading price of ONEOK common stock. Stock or unit price changes may result from a variety of factors (many of which are beyond ONEOK's and ONEOK Partners' control), including:

changes in ONEOK's or ONEOK Partners' business, operations and prospects;

changes in market assessments of ONEOK's or ONEOK Partners' business, operations and prospects;

changes in market assessments of the likelihood that the merger will be completed;

interest rates, commodity prices, general market, industry and economic conditions and other factors generally affecting the price of ONEOK common stock or ONEOK Partners common units;  
and

federal, state and local legislation, governmental regulation and legal developments in the businesses in which ONEOK and ONEOK Partners operate.

If the price of ONEOK common stock at the closing of the merger is less than the price of ONEOK common stock on the date that the merger agreement was signed, then the market value of the merger consideration will be less than contemplated at the time the merger agreement was signed.

***If the merger is approved by ONEOK Partners unitholders, the date that common unitholders will receive the merger consideration is dependent on the completion date of the merger, which is uncertain.***

As described in this joint proxy statement/prospectus, completing the proposed merger is subject to several conditions, not all of which are controllable by ONEOK or ONEOK Partners. Accordingly, if the proposed merger is approved by ONEOK Partners unitholders, the date that common unitholders will receive merger consideration depends on the completion date of the merger, which is uncertain and subject to several other closing conditions.

***ONEOK and ONEOK Partners may incur substantial transaction-related costs in connection with the merger.***

ONEOK and ONEOK Partners expect to incur substantial expenses in connection with completing the merger, including fees paid to legal, financial and accounting advisors, filing fees, proxy solicitation costs and printing costs. Many of the expenses that will be incurred, by their nature, are difficult to estimate accurately at the present time.

***ONEOK is subject to provisions that limit its ability to pursue alternatives to the merger and could discourage a potential competing acquirer from making a favorable alternative transaction proposal.***

Under the merger agreement, ONEOK is restricted from pursuing alternative proposals. Under certain no solicitation covenants, ONEOK has agreed that it will not, and will cause its subsidiaries and use reasonable best efforts to cause



its representatives not to, directly or indirectly, except as permitted by the merger agreement:

solicit, initiate, knowingly facilitate, knowingly encourage (including by way of furnishing confidential information) or knowingly induce or take any other action intended to lead to any inquiries or any proposals that constitute the submission of an alternative proposal; or

enter into any alternative acquisition agreement with respect to any alternative proposal (other than a confidentiality agreement containing customary provisions).

ONEOK has agreed that it will, and will cause its subsidiaries and use reasonable best efforts to cause its representatives to, cease and cause to be terminated any discussions or negotiations with any persons conducted prior to the execution of the merger agreement with respect to an alternative proposal and immediately prohibit any access by any person to confidential information relating to a possible alternative proposal.

---

**Table of Contents**

Under the merger agreement, in the event of a potential ONEOK Partners adverse recommendation change or a potential ONEOK adverse recommendation change (as defined under The Merger Agreement ONEOK Partners GP Recommendation and ONEOK Partners Adverse Recommendation Change and under The Merger Agreement ONEOK Recommendation and ONEOK Adverse Recommendation Change ), each party must provide the other party with three days' notice to allow the other party to propose an adjustment to the terms and conditions of the merger agreement.

These provisions could discourage a third party that may have an interest in acquiring all or a significant part of ONEOK from considering or proposing that acquisition. See The Merger Agreement No Solicitation by ONEOK of Alternative Proposals, The Merger Agreement ONEOK Recommendation and ONEOK Adverse Recommendation Change and The Merger Agreement ONEOK Partners GP Recommendation and ONEOK Partners Adverse Recommendation Change.

***ONEOK is subject to provisions under the merger agreement that, in specified circumstances, could require ONEOK to execute an amendment to the ONEOK Partners partnership agreement providing for the reduction in incentive distributions payable by ONEOK Partners to ONEOK, as the indirect holder of ONEOK Partners incentive distribution rights (IDRs), up to \$300 million, or require ONEOK to make a payment in respect of ONEOK Partners' expenses up to \$20.0 million.***

If the merger agreement is terminated by ONEOK or ONEOK Partners in certain situations, including by ONEOK in order to enter into a superior proposal, ONEOK will be required to execute an amendment to the ONEOK Partners partnership agreement providing for the reduction in incentive distributions payable by ONEOK Partners to ONEOK, as the indirect holder of ONEOK Partners' IDRs, up to \$300 million. Alternatively, if the merger agreement is terminated under specified circumstances, ONEOK may be required to make a payment of up to \$20 million in respect of ONEOK Partners' expenses. See The Merger Agreement Termination of the Merger Agreement and The Merger Agreement Effect of Termination; Termination Fees. If such termination fee or expenses are payable, the payment of such termination fee or expenses could have material and adverse consequences to the financial condition and operations of ONEOK.

***ONEOK Partners is subject to provisions under the merger agreement that, in specified circumstances, could require ONEOK Partners to pay a fee to ONEOK of up to \$300 million or require ONEOK Partners to make a payment in respect of ONEOK's expenses up to \$10.0 million.***

If the merger agreement is terminated by the ONEOK Partners conflicts committee in response to an intervening event or by ONEOK in response to a ONEOK Partners change in recommendation, ONEOK Partners will be required to pay a fee to ONEOK in the amount up to \$300 million. Alternatively, if the merger agreement is terminated under specified circumstances, ONEOK Partners may be required to make a payment of up to \$10 million in respect of ONEOK's expenses. See The Merger Agreement Termination of the Merger Agreement and The Merger Agreement Effect of Termination; Termination Fees. If such termination fee or expenses are payable, the payment of such termination fee or expenses could have material and adverse consequences to the financial condition and operations of ONEOK Partners.

***Certain executive officers and directors of ONEOK Partners GP and ONEOK have interests in the merger that are different from, or in addition to, the interests they may have as ONEOK Partners common unitholders or ONEOK shareholders, respectively, which could have influenced their decision to support or approve the merger.***

Certain executive officers and directors of ONEOK Partners GP own equity interests in ONEOK, receive fees and other compensation from ONEOK, and will have rights to ongoing indemnification and insurance coverage by the

surviving company that give them interests in the merger that may be different from, or be in addition to, interests of a ONEOK Partners unaffiliated unitholder.

## **Table of Contents**

Additionally, certain executive officers and directors of ONEOK beneficially own ONEOK Partners common units and will receive the applicable merger consideration upon completion of the merger, receive fees and other compensation from ONEOK, and are entitled to indemnification arrangements with ONEOK that give them interests in the merger that may be different from, or be in addition to, interests a holder of ONEOK common stock may have as a ONEOK shareholder.

These different interests are described in *The Merger Interests of Certain Persons in the Merger*.

### ***Financial projections by ONEOK and ONEOK Partners may not prove to be reflective of actual future results.***

In connection with the merger, ONEOK and ONEOK Partners prepared and considered, among other things, internal financial forecasts for ONEOK and ONEOK Partners, respectively. These forecasts speak only as of the date made and will not be updated. These financial projections were not provided with a view to public disclosure, are subject to significant economic, competitive, industry and other uncertainties and may not be achieved in full, at all or within projected timeframes. In addition, the failure of businesses to achieve projected results could have a material adverse effect on ONEOK's share price, financial position and ability to maintain or increase its dividends following the merger.

### ***The unaudited pro forma financial statements included in this joint proxy statement/prospectus are presented for illustrative purposes only and may not be an indication of the combined entity's financial condition or results of operations following the merger.***

The unaudited pro forma financial statements contained in this joint proxy statement/prospectus are presented for illustrative purposes only, are based on various adjustments, assumptions and preliminary estimates and may not be an indication of the financial condition or results of operations of the combined entity following the merger for several reasons. The actual financial condition and results of operations of the combined entity following the merger may not be consistent with, or evident from, these pro forma financial statements. In addition, the assumptions used in preparing the pro forma financial information may not prove to be accurate, and other factors may affect the financial condition or results of operations of the combined entity following the merger. Any potential decline in the financial condition or results of operations of the combined entity may cause significant variations in the price of ONEOK common stock after completion of the merger. See *Unaudited Pro Forma Condensed Consolidated Financial Statements*.

### ***Shares of ONEOK common stock to be received by ONEOK Partners common unitholders as a result of the merger have different rights from ONEOK Partners common units.***

Following completion of the merger, ONEOK Partners common unitholders will no longer hold ONEOK Partners common units, but will instead be ONEOK shareholders. There are important differences between the rights of ONEOK Partners common unitholders and the rights of ONEOK shareholders. Ownership interests in a limited partnership are fundamentally different from ownership interests in a corporation. ONEOK Partners common unitholders will own ONEOK common stock following the completion of the merger, and their rights associated with the ONEOK common stock will be governed by ONEOK's organizational documents and the OGCA, which differ in a number of respects from the ONEOK Partners partnership agreement and the Delaware LP Act. See *Comparison of Rights of ONEOK Shareholders and ONEOK Partners Common Unitholders*.

### ***Holders of ONEOK common stock may not receive the anticipated level of dividends or any dividends at all.***

Although ONEOK management has announced its intention to recommend to the ONEOK board an increase to the quarterly dividend on the ONEOK common stock of approximately 21% to \$0.745 per share (an annualized dividend of \$2.98 per share) for the first dividend declaration date immediately following the completion of the merger and expects a 9 to 11 percent annual dividend growth rate thereafter through 2021, ONEOK is not required to pay dividends on its common stock under the ONEOK certificate of incorporation or

---

**Table of Contents**

the OGCA. Subject to preferences that may be applicable to any outstanding shares or series of preferred stock, ONEOK shareholders are only entitled to receive ratably such dividends (payable in cash, stock or otherwise), if any, as may be declared from time to time by the ONEOK board out of funds legally available for dividend payments. The ONEOK board makes a determination each quarter as to the actual amount, if any, of dividends to pay on the ONEOK common stock, based on various factors, some of which are beyond its control, including ONEOK's operating cash flows, ONEOK's working capital needs, ONEOK's ability to access capital markets for debt and equity financing on reasonable terms, the restrictions contained in ONEOK's indentures and credit facility, ONEOK's debt service requirements, credit metrics and the cost of acquisitions, if any. ONEOK may not have sufficient cash each quarter to pay dividends or maintain current or expected levels of dividends. Accordingly, ONEOK cannot guarantee that any dividends will be declared or paid in the future.

**Tax Risks Related to the Merger and the Ownership of ONEOK Common Stock Received in the Merger**

In addition to reading the following risk factors, you are urged to read [United States Federal Income Tax Consequences](#) for a more complete discussion of the expected U.S. federal income tax consequences of the merger and owning and disposing of ONEOK common stock received in the merger.

***The merger should be a taxable transaction and, in such case, the resulting tax liability of a ONEOK Partners common unitholder, if any, will depend on the unitholder's particular situation. The tax liability of a ONEOK Partners common unitholder as a result of the merger could be more than expected.***

ONEOK Partners common unitholders will receive ONEOK common stock and cash in lieu of fractional shares, if any, as the merger consideration. Although ONEOK Partners' common unitholders will receive no cash consideration other than any cash received in lieu of fractional shares, if any, the merger should be treated as a taxable sale by ONEOK Partners common unitholders for U.S. federal income tax purposes. In such case, as a result of the merger, a ONEOK Partners common unitholder will recognize gain or loss for U.S. federal income tax purposes equal to the difference between such unitholder's amount realized and the unitholder's adjusted tax basis in the ONEOK Partners common units. The amount of gain or loss recognized by each ONEOK Partners common unitholder in the merger will vary depending on each unitholder's particular situation, including the value of the shares of ONEOK common stock and the amount of cash in lieu of fractional shares, if any, received by each unitholder in the merger, the adjusted tax basis of the ONEOK Partners common units exchanged by each unitholder in the merger, and the amount of any suspended passive losses that may be available to a particular unitholder to offset a portion of the gain recognized by the unitholder.

Because the value of any ONEOK common stock received in the merger will not be known until the effective time of the merger, a ONEOK Partners common unitholder will not be able to determine its amount realized, and therefore its taxable gain or loss, until such time. In addition, because prior distributions in excess of a ONEOK Partners common unitholder's allocable share of ONEOK Partners' net taxable income decrease the unitholder's tax basis in its common units, the amount, if any, of the prior excess distributions with respect to such ONEOK Partners common units will, in effect, become taxable income to a unitholder if the aggregate value of the consideration received in the merger is greater than the unitholder's adjusted tax basis in its common units, even if the aggregate value of the consideration received in the merger is less than the unitholder's original cost basis in its common units. Furthermore, a portion of this gain or loss, which could be substantial, will be separately computed and taxed as ordinary income or loss to the extent attributable to unrealized receivables, including depreciation recapture, or to inventory items owned by ONEOK Partners and its subsidiaries.

For a more complete discussion of U.S. federal income tax consequences of the merger, see [United States Federal Income Tax Consequences](#).



---

**Table of Contents**

***The U.S. federal income tax treatment of owning and disposing of ONEOK common stock received in the merger will be different than the U.S. federal income tax treatment of owning and disposing of ONEOK Partners common units.***

ONEOK Partners is classified as a partnership for U.S. federal income tax purposes and, generally, is not subject to entity-level U.S. federal income taxes. Instead, each ONEOK Partners common unitholder is required to take into account its respective share of ONEOK Partners' items of income, gain, loss and deduction in computing its federal income tax liability, even if no cash distributions are made by ONEOK Partners to the unitholder. A pro rata distribution of cash by ONEOK Partners to a ONEOK Partners common unitholder who is a U.S. Holder is generally not taxable for U.S. federal income tax purposes unless the amount of cash distributed is in excess of the unitholder's adjusted tax basis in its ONEOK Partners common units.

In contrast, ONEOK is classified as a corporation for U.S. federal income tax purposes and is subject to U.S. federal income tax on its taxable income. A distribution of cash by ONEOK to a shareholder who is a U.S. Holder will generally be included in such shareholder's income as ordinary dividend income to the extent of ONEOK's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. A portion of the cash distributed to ONEOK shareholders by ONEOK after the merger may exceed ONEOK's current and accumulated earnings and profits. Cash distributions to a ONEOK shareholder who is a U.S. Holder in excess of ONEOK's current and accumulated earnings and profits will be treated as a non-taxable return of capital, reducing the adjusted tax basis in the holder's ONEOK common stock and, to the extent the cash distribution exceeds the holder's adjusted tax basis, as capital gain from the sale or exchange of such ONEOK common stock. See United States Federal Income Tax Consequences.

***ONEOK's future tax liability may be greater than expected if it does not generate NOLs sufficient to offset taxable income or if tax authorities challenge certain of its tax positions.***

ONEOK expects to generate deductions and NOL carryforwards that it can use to offset taxable income. As a result, ONEOK does not expect to pay meaningful U.S. federal income tax through at least 2021. This estimate is based upon assumptions ONEOK has made regarding, among other things, income, capital expenditures and net working capital. Further, the Internal Revenue Service (the IRS) or other tax authorities could challenge one or more tax positions ONEOK takes, such as the classification of assets under the income tax depreciation rules, the characterization of expenses for income tax purposes, and the tax classification of the merger. Further, any change in law may affect ONEOK's tax position. While ONEOK expects that its deductions and NOL carryforwards will be available to it as a future benefit, in the event that they are not generated as expected, are successfully challenged by the IRS (in a tax audit or otherwise) or are subject to future limitations as described below, ONEOK's ability to realize these benefits may be limited.

***ONEOK's ability to use NOLs to offset future income may be limited.***

ONEOK's ability to use any NOLs generated by it could be substantially limited if ONEOK were to experience an ownership change as defined under Section 382 of the Code. In general, an ownership change would occur if ONEOK's 5-percent shareholders, as defined under Section 382 of the Code, including certain groups of persons treated as 5-percent shareholders, collectively increased their ownership in ONEOK by more than 50 percentage points over a rolling three-year period. An ownership change can occur as a result of a public offering of ONEOK's common stock, as well as through secondary market purchases of our common stock and certain types of reorganization transactions. A corporation that experiences an ownership change will generally be subject to an annual limitation on the use of its pre-ownership change NOLs (and certain other losses and/or credits) equal to the equity value of the corporation immediately before the ownership change, multiplied by the long-term tax-exempt rate for the



month in which the ownership change occurs. Such a limitation could, for any given year, have the effect of increasing the amount of ONEOK S U.S. federal income tax liability, which would negatively impact the amount of after-tax cash available for distribution to holders of ONEOK common stock and ONEOK s financial condition.

---

**Table of Contents**

**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

Some of the statements contained and incorporated in this joint proxy statement/prospectus are forward-looking statements as defined under federal securities laws. The forward-looking statements relate to ONEOK's and/or ONEOK Partners' anticipated financial performance (including projected operating income, net income, capital expenditures, cash flow and projected levels of dividends and distributions), liquidity, management's plans and objectives for ONEOK's and/or ONEOK Partners' future growth projects and other future operations (including plans to construct additional natural gas and natural gas liquids pipelines and processing facilities and related cost estimates), ONEOK's and/or ONEOK Partners' business prospects, the outcome of regulatory and legal proceedings, market conditions and other matters. ONEOK and ONEOK Partners make these forward-looking statements in reliance on the safe harbor protections provided under federal securities legislation and other applicable laws. The following discussion is intended to identify important factors that could cause future outcomes to differ materially from those set forth in the forward-looking statements.

Forward-looking statements include the items identified in the preceding paragraph, the information concerning possible or assumed future results of ONEOK's and/or ONEOK Partners' operations and other statements contained or incorporated in this joint proxy statement/prospectus identified by words such as anticipate, estimate, expect, project, intend, plan, believe, should, goal, forecast, guidance, could, may, continue, might, potential words and terms of similar meaning.

One should not place undue reliance on forward-looking statements. Known and unknown risks, uncertainties and other factors may cause ONEOK's and/or ONEOK Partners' actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by forward-looking statements. Those factors may affect ONEOK's and/or ONEOK Partners' operations, markets, products, services and prices. In addition to any assumptions and other factors referred to specifically in connection with the forward-looking statements, factors that could cause ONEOK's and/or ONEOK Partners' actual results to differ materially from those contemplated in any forward-looking statement include, among others, the following:

the ability to obtain the requisite approvals from ONEOK's shareholders or ONEOK Partners' unitholders relating to the merger;

the risk that ONEOK and/or ONEOK Partners may be unable to obtain governmental and regulatory approvals required for the merger, if any, or required governmental and regulatory approvals, if any, may delay the transaction or result in the imposition of conditions that could cause the parties to abandon the merger;

the risk that a condition to closing of the merger may not be satisfied;

the timing to complete the merger;

the risk that cost savings, tax benefits and any other synergies from the merger may not be fully realized or may take longer to realize than expected;

disruption from the merger may make it more difficult to maintain relationships with customers, employees or suppliers;

the possible diversion of management time on merger-related issues;

the impact and outcome of pending and future litigation, including litigation, if any, relating to the merger;

the effects of weather and other natural phenomena, including climate change, on ONEOK's and/or ONEOK Partners' operations, demand for ONEOK's and/or ONEOK Partners' services and energy prices;

**Table of Contents**

competition from other United States and foreign energy suppliers and transporters, as well as alternative forms of energy, including, but not limited to, solar power, wind power, geothermal energy and biofuels such as ethanol and biodiesel;

the capital intensive nature of ONEOK's and ONEOK Partners' businesses;

the profitability of assets or businesses acquired or constructed by ONEOK and/or ONEOK Partners;

ONEOK's and/or ONEOK Partners' ability to make cost-saving changes in operations;

risks of marketing, trading and hedging activities, including the risks of changes in energy prices or the financial condition of ONEOK's and/or ONEOK Partners' counterparties;

the uncertainty of estimates, including accruals and costs of environmental remediation;

the timing and extent of changes in energy commodity prices;

the effects of changes in governmental policies and regulatory actions, including changes with respect to income and other taxes, pipeline safety, environmental compliance, climate change initiatives and authorized rates of recovery of natural gas and natural gas transportation costs;

the impact on drilling and production by factors beyond ONEOK's and ONEOK Partners' control, including the demand for natural gas and crude oil; producers' desire and ability to obtain necessary permits; reserve performance; and capacity constraints on the pipelines that transport crude oil, natural gas and NGLs from producing areas and ONEOK's and ONEOK Partners' facilities;

difficulties or delays experienced by trucks, railroads or pipelines in delivering products to or from ONEOK's and/or ONEOK Partners' terminals or pipelines;

changes in demand for the use of natural gas, NGLs and crude oil because of market conditions caused by concerns about climate change;

conflicts of interest between ONEOK, ONEOK Partners GP, ONEOK Partners, and related parties of ONEOK, ONEOK Partners GP, and ONEOK Partners;

the impact of unforeseen changes in interest rates, equity markets, inflation rates, economic recession and other external factors over which ONEOK and ONEOK Partners have no control, including the effect on pension and postretirement expense and funding resulting from changes in equity and bond market returns;

ONEOK's and/or ONEOK Partners' indebtedness could make ONEOK and/or ONEOK Partners' vulnerable to general adverse economic and industry conditions, limit ONEOK's and/or ONEOK Partners' ability to borrow additional funds and/or place ONEOK and/or ONEOK Partners at competitive disadvantages compared with their competitors that have less debt, or have other adverse consequences;

actions by rating agencies concerning the credit ratings of ONEOK and/or ONEOK Partners;

the results of administrative proceedings and litigation, regulatory actions, rule changes and receipt of expected clearances involving any local, state or federal regulatory body, including the FERC, the National Transportation Safety Board, the United States Department of Transportation Pipeline and Hazardous Materials Safety Administration, the United States Environmental Protection Agency and the U.S. Commodity Futures Trading Commission;

ONEOK's and/or ONEOK Partners' ability to access capital at competitive rates or on terms acceptable to ONEOK and/or ONEOK Partners;

risks associated with adequate supply to ONEOK's and/or ONEOK Partners' gathering, processing, fractionation and pipeline facilities, including production declines that outpace new drilling or extended periods of ethane rejection;

**Table of Contents**

the risk that material weaknesses or significant deficiencies in ONEOK's and/or ONEOK Partners' internal controls over financial reporting could emerge or that minor problems could become significant;

the impact and outcome of pending and future litigation;

the ability to market pipeline capacity on favorable terms, including the effects of:

future demand for and prices of natural gas, NGLs and crude oil;

competitive conditions in the overall energy market;

availability of supplies of Canadian and United States natural gas and crude oil; and

availability of additional storage capacity;

performance of contractual obligations by ONEOK's and/or ONEOK Partners' customers, service providers, contractors and shippers;

the timely receipt of approval by applicable governmental entities for construction and operation of ONEOK's and/or ONEOK Partners' pipeline and other projects and required regulatory clearances;

ONEOK's and/or ONEOK Partners' ability to acquire all necessary permits, consents or other approvals in a timely manner, to promptly obtain all necessary materials and supplies required for construction, and to construct gathering, processing, storage, fractionation and transportation facilities without labor or contractor problems;

the mechanical integrity of facilities operated;

demand for ONEOK's and/or ONEOK Partners' services in the proximity of ONEOK's and/or ONEOK Partners' facilities;

ONEOK's and/or ONEOK Partners' ability to control operating costs;

acts of nature, sabotage, terrorism or other similar acts that cause damage to ONEOK's and/or ONEOK Partners' facilities or ONEOK's and/or ONEOK Partners' suppliers' or shippers' facilities;

economic climate and growth in the geographic areas in which ONEOK and ONEOK Partners do business;

the risk of a prolonged slowdown in growth or decline in the United States or international economies, including liquidity risks in United States or foreign credit markets;

the impact of recently issued and future accounting updates and other changes in accounting policies;

the possibility of future terrorist attacks or the possibility or occurrence of an outbreak of, or changes in, hostilities or changes in the political conditions in the Middle East and elsewhere;

the risk of increased costs for insurance premiums, security or other items as a consequence of terrorist attacks;

risks associated with pending or possible acquisitions and dispositions, including ONEOK's and/or ONEOK Partners' ability to finance or integrate any such acquisitions and any regulatory delay or conditions imposed by regulatory bodies in connection with any such acquisitions and dispositions;

the impact of uncontracted capacity in ONEOK Partners' assets being greater or less than expected;

the ability to recover operating costs and amounts equivalent to income taxes, costs of property, plant and equipment and regulatory assets in ONEOK Partners' state and FERC-regulated rates;

the composition and quality of the natural gas and NGLs supplied to ONEOK Partners' gathering system and processed in ONEOK Partners' plants and transported on ONEOK Partners' pipelines;

**Table of Contents**

the efficiency of ONEOK Partners' plants in processing natural gas and extracting and fractionating NGLs;

the impact of potential impairment charges;

the risk inherent in the use of information systems in ONEOK's and ONEOK Partners' respective businesses, implementation of new software and hardware, and the impact on the timeliness of information for financial reporting;

ONEOK's ability to control construction costs and completion schedules of ONEOK's and/or ONEOK Partners' pipelines and other projects; and

the risk factors listed in the reports ONEOK and ONEOK Partners have filed and may file with the SEC, which are incorporated by reference.

These factors are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of ONEOK's and/or ONEOK Partners' forward-looking statements. Other factors could also have material adverse effects on ONEOK's and/or ONEOK Partners' future results. These and other risks are described in greater detail in "Risk Factors" in this joint proxy statement/prospectus and in ONEOK's and ONEOK Partners' other filings made with the SEC, which are available via the SEC's website at [www.sec.gov](http://www.sec.gov), ONEOK's website at [www.oneok.com](http://www.oneok.com), and ONEOK Partners' website at [www.oneokpartners.com](http://www.oneokpartners.com). All forward-looking statements attributable to ONEOK and/or ONEOK Partners or persons acting on their behalf are expressly qualified in their entirety by these factors. Any such forward-looking statement speaks only as of the date on which such statement is made, and other than as required under securities laws, neither ONEOK nor ONEOK Partners undertakes any obligation to update publicly any forward-looking statement whether as a result of new information, subsequent events or change in circumstances, expectations or otherwise.



**Table of Contents**

**THE PARTIES**

**ONEOK, Inc.**

ONEOK is a corporation incorporated under the laws of the state of Oklahoma, and ONEOK's common stock is listed on the NYSE under the trading symbol OKE. ONEOK Partners GP, a wholly-owned subsidiary of ONEOK is the sole general partner of ONEOK Partners. As of April 20, 2017, ONEOK owned 41.2% of ONEOK Partners, one of the largest publicly traded master limited partnerships. ONEOK's goal is to provide management and resources to ONEOK Partners, enabling it to execute its growth strategies and allowing ONEOK to grow its dividend.

ONEOK's principal executive offices are located at 100 West Fifth Street, Tulsa, Oklahoma 74103 and its telephone number is (918) 588-7000.

**ONEOK Partners, L.P.**

ONEOK Partners is a publicly traded master limited partnership, organized under the laws of the state of Delaware, that was formed in 1993. ONEOK Partners' common units are listed on the NYSE under the trading symbol OKS. ONEOK Partners is one of the largest publicly traded master limited partnerships and a leader in the gathering, processing, storage and transportation of natural gas in the United States. In addition, ONEOK Partners owns one of the nation's premier natural gas liquids systems, connecting NGL supply in the Mid-Continent, Permian and Rocky Mountain regions with key market centers. ONEOK Partners applies its core capabilities of gathering, processing, fractionating, transporting, storing and marketing natural gas and NGLs through the rebundling of services across the value chains through vertical integration in an effort to provide ONEOK Partners' customers with premium services at lower costs.

ONEOK Partners' principal executive offices are located at 100 West Fifth Street, Tulsa, Oklahoma 74103 and its telephone number is (918) 588-7000.

**Merger Sub**

Merger Sub, a wholly owned subsidiary of ONEOK, is a Delaware limited liability company formed on January 31, 2017, for the purpose of effecting the merger. Upon completion of the merger, Merger Sub will merge with and into ONEOK Partners, with ONEOK Partners continuing as the surviving entity and a wholly owned subsidiary of ONEOK. Merger Sub has not conducted any activities other than those incidental to its formation and the matters contemplated by the merger agreement.

**Relationship Between the Parties**

ONEOK does not directly own any midstream operating assets; its main source of future revenue therefore is from its general and limited partner interests in ONEOK Partners. Substantially all of ONEOK's cash flows are generated from the distributions ONEOK receives from ONEOK Partners. At April 20, 2017, ONEOK's interests in ONEOK Partners consisted of the following:

a 2% general partner interest, which ONEOK holds through its 100% ownership interest in ONEOK Partners GP; and

114,332,833 of the 285,826,232 outstanding ONEOK Partners common units, assuming conversion of the 72,988,252 Class B units held by ONEOK to common units (approximately 40.0%).

The outstanding common units and Class B units (including common units and Class B units held by ONEOK and ONEOK Partners GP) account for 98% of the total ownership interest in ONEOK Partners, with the remaining 2% of the total ownership interest in ONEOK Partners being comprised of the general partner interest in ONEOK Partners. As of the record date, ONEOK and its affiliates beneficially owned approximately

**Table of Contents**

% of the outstanding ONEOK Partners common units and 100% of the Class B units, which represent, in the aggregate, % of the total outstanding common units and Class B units (assuming the conversion of ONEOK's Class B units to common units). As such, ONEOK's total direct and indirect ownership interest in ONEOK Partners is % (which represents % (i.e., % of 98%) in respect of the limited partner interests, plus 2% in respect of the general partner interest).

Certain of the executive officers and directors of ONEOK Partners GP are also executive officers and directors of ONEOK. See The Merger Interests of Certain Persons in the Merger Common Directors and Executive Officers.

**Table of Contents**

**THE MERGER**

*The following discussion of the merger is qualified in its entirety by reference to the merger agreement between ONEOK and ONEOK Partners. You are urged to read carefully the merger agreement in its entirety, a copy of which is attached as Annex A to this joint proxy statement/prospectus and incorporated by reference herein.*

**Overview**

On January 31, 2017, ONEOK, Merger Sub, ONEOK Partners and ONEOK Partners GP entered into the merger agreement, pursuant to which ONEOK will acquire all of the outstanding ONEOK Partners common units that ONEOK and its subsidiaries do not already own. Upon the terms and subject to the conditions set forth in the merger agreement, Merger Sub will be merged with and into ONEOK Partners, with ONEOK Partners continuing as the surviving entity and as a subsidiary of ONEOK.

**Background of the Merger**

As part of their ongoing evaluation of ONEOK's business, the ONEOK board and senior management regularly review and assess opportunities to increase stockholder value and achieve long-term strategic goals, including, among other things, potential opportunities for acquisitions and business combinations, capital projects, improvements to cost structure, operational improvements, contract optimization, joint ventures, internal restructurings and investments and other strategic alternatives. In this regard, ONEOK management has considered and discussed with the ONEOK board numerous potential strategic alternatives with respect to ONEOK to enhance value for ONEOK's stockholders. These alternatives included potential acquisitions or business combination transactions with third parties, potential acquisitions or business combination transactions involving ONEOK and ONEOK Partners, potential strategic alternatives regarding ONEOK Partners' businesses and potential waiver or elimination of incentive distribution rights. In mid-2015, J.P. Morgan began assisting ONEOK management in analyzing ONEOK's various strategic alternatives.

By mid-October, 2016, ONEOK management concluded that an acquisition by ONEOK of the common units of ONEOK Partners not already owned by ONEOK (the "Potential Transaction") was likely to be the most favorable of the strategic alternatives considered. Management based that conclusion on several factors, including an expected lower cost of funding with the elimination of the IDRs, improved capital markets access and the significant tax savings to ONEOK resulting from a tax basis step-up in the underlying assets and resulting increase in cash available for growth and dividends to equity holders in the combined business that would be accomplished by the Proposed Transaction. Although ONEOK management believed that the outlook for ONEOK and ONEOK Partners under the existing ownership structure was positive over the next several years, it determined that the lower cost of funding, improved capital markets access and significant tax savings to ONEOK expected to result from the Proposed Transaction could significantly improve the combined company's cash available for dividends and growth prospects, both through organic projects and potential M&A opportunities.

At a regularly scheduled meeting of the ONEOK board held on October 19, 2016, ONEOK management again reviewed with the ONEOK board its analysis of various alternatives that had been considered, which included (i) the Potential Transaction, (ii) a potential reduction or elimination of the general partner's incentive distribution rights at ONEOK Partners, which ONEOK management concluded would not be attractive to all parties involved and would not provide a step-up in tax basis, (iii) a potential acquisition of ONEOK by ONEOK Partners, which ONEOK management concluded was not achievable on terms that would be economically attractive to both parties, would create potentially significant tax inefficiencies for the combined company and would eliminate the combined company's access to the corporate financial markets and require reliance on the smaller, less liquid MLP markets, (iv) a potential acquisition by ONEOK of one of the businesses of ONEOK Partners, which ONEOK management

determined was less accretive and provided a smaller tax basis step-up than the Proposed Transaction and was burdened by tax inefficiencies that would not exist in the Potential

---

**Table of Contents**

Transaction, (v) potential combinations with, or acquisitions of, third parties, which ONEOK management determined would be less accretive and would provide a smaller deferral of tax payments than the Proposed Transaction, and which ONEOK management noted would not be precluded by, and could potentially be made more attractive by, the Proposed Transaction, and (vi) a potential equity investment by a third party in a joint venture with ONEOK Partners, which ONEOK management determined not to pursue because, among other reasons, the equity investment would likely be made at a price that ONEOK management did not believe was desirable. The ONEOK board directed ONEOK management to conduct further analysis regarding the Proposed Transaction, including the potential benefits of, and strategic alternatives to, such a transaction and report to the ONEOK board at its regularly scheduled November meeting.

On November 8, 2016, at a regular meeting of the ONEOK board, ONEOK management and the ONEOK board discussed ONEOK management's analysis regarding the potential benefits of, and strategic alternatives to, the Potential Transaction. The strategic alternatives discussed included various potential combinations with, or acquisitions of, third parties, as well as the alternative of maintaining the current ownership structure. The ONEOK board discussed the rationale for the Potential Transaction, the further analysis that would be required, and the anticipated next steps, timing and processes, including those involving the conflicts committee (the ONEOK Partners conflicts committee), a standing committee of the board of directors of ONEOK Partners GP, L.L.C. (the ONEOK Partners board), that would be necessary or appropriate in connection with the Potential Transaction. The ONEOK board also discussed potential issues that could arise when a director has an investment in a counterparty to a transaction with ONEOK, including the possibility that such director would need to recuse himself or herself from the vote to approve such transaction. The ONEOK board requested additional information from ONEOK management, including information regarding the potential strategic benefits of ONEOK becoming an operating company versus a general partner holding company.

On December 13, 2016, at a special telephonic meeting of the ONEOK board, members of ONEOK management discussed further with the ONEOK board the Potential Transaction, including potential strategic benefits of ONEOK becoming an operating company, expected market receptivity to the Potential Transaction, and the timing of any such transaction, as well as other potential strategic alternatives available to ONEOK, including various potential combinations with, or acquisitions of, third parties, a potential acquisition by ONEOK of one of the businesses of ONEOK Partners, a potential reduction or elimination of the general partner's incentive distribution rights at ONEOK Partners, and the alternative of maintaining the current ownership structure, and noted that the analysis of these alternatives had not changed in any meaningful way from prior discussions. ONEOK management noted that before seeking authorization from the ONEOK board to make a proposal to the ONEOK Partners conflicts committee, ONEOK management would want to review the Potential Transaction with the credit rating agencies and obtain comfort that ONEOK likely would be rated investment grade following such a transaction. The ONEOK board determined that ONEOK management should continue to review and analyze a Potential Transaction, including reviewing such a transaction with the ratings agencies to determine the effect on the credit ratings of ONEOK as a result of the transaction. The ONEOK board also determined that ONEOK management should inform the ONEOK Partners board that the ONEOK board was considering authorizing ONEOK to make a proposal to acquire the common units of ONEOK Partners not already owned by ONEOK, and that ONEOK management should ask the ONEOK Partners board to authorize the ONEOK Partners conflicts committee to select and engage independent legal and financial advisors to evaluate and negotiate on behalf of ONEOK Partners any proposal that ONEOK might make.

On December 20, 2016, the ONEOK Partners board held a special telephonic meeting. ONEOK management informed the ONEOK Partners board that, although no decision had been made, the ONEOK board was considering whether to authorize ONEOK to make a proposal to acquire the common units of ONEOK Partners not already owned by ONEOK. ONEOK management and the ONEOK Partners board discussed certain process, timing and disclosure considerations regarding any proposal that ONEOK might make. ONEOK management requested that the ONEOK

Partners board authorize the ONEOK Partners conflicts committee to take steps to prepare to evaluate and respond to a proposal, if made, including selecting and engaging independent legal and financial advisors. The ONEOK Partners board authorized the ONEOK Partners conflicts

---

**Table of Contents**

committee to (i) review and evaluate the terms and conditions of any proposal that ONEOK might make to acquire the common units of ONEOK Partners not already owned by ONEOK and to determine the fairness and reasonableness of any such proposed transaction to ONEOK Partners, (ii) negotiate with ONEOK the terms and conditions of any such proposed transaction, (iii) determine whether to approve any such proposed transaction by Special Approval, as such term is defined by the ONEOK Partners limited partnership agreement, (iv) make any recommendation to the holders of ONEOK Partners common units, excluding ONEOK, ONEOK Partners GP and their affiliates (the unaffiliated unitholders) regarding what action, if any, should be taken by the unaffiliated unitholders with respect to any such proposed transaction and (v) select and engage independent legal and financial advisors to assist the ONEOK Partners conflicts committee. After the conclusion of the ONEOK Partners board meeting, the ONEOK Partners conflicts committee convened a meeting to begin to discuss the process for selecting independent legal counsel and an independent financial advisor to advise the conflicts committee in connection with its review and evaluation of any proposal from ONEOK. Certain members of ONEOK management participated in the initial portion of the meeting. At the request of the ONEOK Partners conflicts committee, ONEOK management provided the ONEOK Partners conflicts committee with information regarding the relationships of each of ONEOK and ONEOK Partners with various law firms and investment banking firms in order to assist the committee in its selection of independent legal counsel and an independent financial advisor. The ONEOK Partners conflicts committee then continued the meeting without members of ONEOK management present to continue to discuss its selection of independent legal counsel and an independent financial advisor for the Potential Transaction.

On December 27, 2016, the ONEOK Partners conflicts committee held a telephonic meeting without members of management present in order to discuss the various law firm options and make its selection of independent legal counsel. The ONEOK Partners conflicts committee subsequently engaged Andrews Kurth Kenyon LLP (Andrews Kurth) as its independent legal counsel.

On January 3, 2017, the ONEOK Partners conflicts committee, representatives of Andrews Kurth and ONEOK management discussed the information, including financial projections, to be provided by ONEOK and ONEOK Partners GP management to the ONEOK Partners conflicts committee and its advisors. At the request of the ONEOK Partners conflicts committee, ONEOK management discussed the names of financial advisors that are widely recognized as experts in the energy master limited partnerships (MLPs) space, as well as the relationships of each of ONEOK and ONEOK Partners with such firms. The ONEOK Partners conflicts committee then continued the meeting without members of ONEOK management present to continue to discuss the selection of an independent financial advisor. After discussion, the ONEOK Partners conflicts committee authorized Andrews Kurth to contact four financial advisory firms and to request from each certain information, including information regarding the qualifications of such firm to represent a conflicts committee of a publicly traded partnership in a significant related party transaction (which information was requested on a no names basis).

On January 6, 2017, the ONEOK Partners conflicts committee held a telephonic meeting, at which representatives of Andrews Kurth were present, in order to discuss the four financial advisory firms and to attempt to narrow the potential financial advisors based on the information the ONEOK Partners conflicts committee had received since its last meeting. The ONEOK Partners conflicts committee instructed Andrews Kurth to contact two of the four firms and ask that they attend a meeting of the ONEOK Partners conflicts committee, to be held on January 9, 2017, to discuss their representative experiences, the structure, proposed deal team and other qualifications. Attendance at such meeting was subject to the firms providing, and Andrews Kurth and the ONEOK Partners conflicts committee reviewing, information regarding current and recent relationships and engagements between each of the firms and ONEOK Partners, ONEOK and their respective affiliates. On or about January 7, 2017, each of the two firms disclosed to the ONEOK Partners conflicts committee the nature of its relationship and engagements for ONEOK Partners, ONEOK and their affiliates since January 1, 2014 and the amount and nature of the fees it received from such parties. Subsequently, on January 9, 2017, the ONEOK Partners conflicts committee held an in-person meeting,



at which representatives of Andrews Kurth were present, to interview the two potential financial advisors. Before meeting with potential financial advisors, Andrews

---

**Table of Contents**

Kurth reviewed with the ONEOK Partners conflicts committee their fiduciary duties with respect to a potential transaction with ONEOK. Following such interviews, the ONEOK Partners conflicts committee resolved to engage Barclays as its financial advisor after determining that Barclays, based on the interview of Barclays and Barclays reputation, experience and familiarity with ONEOK Partners and its businesses, had the professional ability and competence to provide financial advisory services (including the delivery of a fairness opinion) to the ONEOK Partners conflicts committee in connection with the Potential Transaction. The nature of Barclays' relationship and engagements for ONEOK Partners, ONEOK and their affiliates since January 1, 2014, as well as fees for such engagements, were discussed at various times from January 9 to January 18, 2017 by the ONEOK Partners conflicts committee with ONEOK Partners GP management and Andrews Kurth. The engagement letter confirming the terms of Barclays' engagement was entered into on January 30, 2017.

From January 11 to 29, 2017, ONEOK and ONEOK Partners GP management provided Barclays with financial and other due diligence information, including five-year projections for ONEOK, ONEOK Partners and the pro forma combined company that were based on the projections approved by the ONEOK board and the ONEOK Partners board in connection with the most-recent strategic review and financial plan, information with respect to existing capital projects and tax information. See Unaudited Projected Financial Information.

ONEOK management had confidential meetings with the rating agencies in mid-January 2017 to determine the likely impact of the Potential Transaction on the credit ratings of ONEOK as a result of the transaction. Later in January 2017, the rating agencies advised ONEOK management of their view that following the consummation of the Potential Transaction, they anticipated ONEOK would have an investment grade credit rating.

On January 16, 2017, ONEOK and ONEOK Partners GP management met with representatives of Barclays and J.P. Morgan, which was acting as lead financial advisor to ONEOK, to provide additional due diligence information, including with respect to the assets, business plan, growth projects and outlook for ONEOK and ONEOK Partners. During this meeting, the parties discussed in detail various business, operating and financial diligence matters, including key assumptions underlying management's projections. In the days following this meeting, ONEOK and ONEOK Partners GP management provided representatives of Barclays with additional requested due diligence information, and ONEOK and ONEOK Partners GP management and representatives of Barclays held several follow-up due diligence calls. Additionally, the ONEOK Partners conflicts committee held several meetings from January 18 to 20, 2017, with representatives of Barclays and Andrews Kurth present, to review and discuss the business, operating and financial diligence information provided by ONEOK and ONEOK Partners GP management.

On January 24, 2017, the ONEOK board held a special telephonic meeting. Members of ONEOK management and representatives of Skadden, Arps (ONEOK's outside legal counsel) were also in attendance. ONEOK management discussed the Potential Transaction with the ONEOK board, including expected market receptivity for the Potential Transaction, a range of potential premiums to ONEOK Partners unitholders for consideration and the potential timing of any such transaction. Management also discussed alternatives to the Potential Transaction, including various potential combinations with, or acquisitions of, third parties, a potential acquisition by ONEOK of one of the businesses of ONEOK Partners, a potential reduction or elimination of the general partner's incentive distribution rights at ONEOK Partners, and the alternative of maintaining the current ownership structure, and noted that the analysis of these alternatives had not changed in any meaningful way from prior discussions. ONEOK management also reported to the ONEOK board the results of discussions with the ratings agencies regarding the anticipated effect of the Potential Transaction on the credit ratings of ONEOK. Representatives of Skadden, Arps reviewed with the ONEOK board its fiduciary duties in considering the Potential Transaction. The ONEOK board also discussed the potential interests of certain directors in the transaction by virtue of their ownership of ONEOK Partners common units or their positions as directors of ONEOK Partners and certain provisions of the certificate of incorporation of ONEOK regarding the ability of directors who are in any way interested in or connected to a party to a transaction

with ONEOK to vote on the transaction. At the conclusion of the meeting, the ONEOK board authorized ONEOK management to present a

---

**Table of Contents**

non-binding proposal for a Potential Transaction to the ONEOK Partners conflicts committee and to negotiate the terms of a Potential Transaction with the conflicts committee, subject to approval of final terms by the ONEOK board.

Following the meeting of the ONEOK board on January 24, 2017, Terry K. Spencer, President and Chief Executive Officer of ONEOK, sent to Craig F. Strehl, the chairman of the ONEOK Partners conflicts committee, and the other members of the ONEOK Partners conflicts committee, a non-binding proposal for the acquisition by ONEOK of the common units of ONEOK Partners not already owned by ONEOK in a merger where each common unit of ONEOK Partners not owned directly or indirectly by ONEOK would be exchanged for shares of ONEOK common stock at an exchange ratio representing an approximate 14% implied premium to the closing price of the ONEOK Partners common units on the trading day prior to execution of the merger agreement (as of January 24, 2017, such exchange ratio would have been 0.897 of a share of ONEOK common stock per ONEOK Partners common unit). The proposal also stated that if the ONEOK Partners merger was consummated, ONEOK expected to increase the quarterly dividend on the shares of ONEOK common stock to \$0.66 per share.

Later that evening, representatives of Skadden, Arps sent a draft merger agreement to Andrews Kurth. The draft merger agreement, among other things, (i) provided that the obligations of ONEOK and ONEOK Partners to consummate the merger would be conditioned on, among other things, the approval of the merger by the affirmative vote of a majority of the outstanding ONEOK Partners common units and Class B Units, voting as a single class, and the receipt of necessary consents under the ONEOK and ONEOK Partners credit facilities, and further that the obligation of ONEOK to consummate the merger would be conditioned on, among other things, the receipt of a tax opinion to the effect that the merger should be treated as a taxable purchase and sale of the common units for tax purposes, (ii) included a force the vote provision that would require each of ONEOK and ONEOK Partners to submit the transaction for approval by the ONEOK stockholders and the ONEOK Partners unitholders, respectively, regardless of any change of recommendation by the ONEOK board, the ONEOK Partners board or the ONEOK Partners conflicts committee, (iii) included a no shop provision applicable to ONEOK with respect to any alternative transaction that would reasonably be expected to prevent or materially impede, interfere with, hinder or delay the consummation of the ONEOK Partners merger, but did not include a no shop provision applicable to ONEOK Partners, and (iv) provided for expense reimbursement fees (subject to a \$10 million cap) and termination fees in unspecified amounts payable by each of ONEOK and ONEOK Partners under specified circumstances. The ONEOK Partners expense reimbursement fee would be payable by ONEOK in the event of termination by either ONEOK or ONEOK Partners due to the failure to obtain ONEOK stockholder approval of the issuance of shares of ONEOK common stock in the merger, and the ONEOK expense reimbursement fee would be payable by ONEOK Partners in the event of termination by either ONEOK or ONEOK Partners due to the failure to obtain ONEOK Partners unitholder approval of the merger. The termination fee would be payable by ONEOK in the event of termination by ONEOK due to a change in recommendation by the ONEOK board or in the event of termination by either ONEOK or ONEOK Partners due to the failure to obtain ONEOK stockholder approval of the issuance of shares of ONEOK common stock in the merger following a change in recommendation by the ONEOK board. The termination fee payable by ONEOK Partners would be payable only in the event of termination by either ONEOK or ONEOK Partners due to the failure to obtain ONEOK Partners unitholder approval of the merger following a change in recommendation by the ONEOK Partners board or the ONEOK Partners conflicts committee.

On January 26, 2017, the ONEOK Partners conflicts committee held an in-person meeting, at which representatives of Barclays and Andrews Kurth were present. The ONEOK Partners conflicts committee and its advisors discussed the non-binding proposal received on the 24th from ONEOK. Barclays reviewed with the ONEOK Partners conflicts committee, among other things, financial projections provided by ONEOK and ONEOK Partners GP management and presented certain preliminary financial analyses relating to the proposed merger based on the non-binding proposal from ONEOK. The ONEOK Partners conflicts committee and its advisors also discussed the expected tax effects of the proposed merger on the ONEOK Partners unaffiliated common unitholders and other potential benefits and

considerations of the proposed merger, such as those described under Recommendation of the ONEOK Partners Conflicts Committee and the ONEOK Partners Board and their Reasons for the Merger.

---

**Table of Contents**

Barclays discussed with the ONEOK Partners conflicts committee potential structuring alternatives to the proposed merger, including transactions such as (1) having ONEOK Partners acquire ONEOK Partners GP (the ONEOK GP Acquisition ) or (2) amending the partnership agreement of ONEOK Partners to (a) reset the incentive distributions payable to ONEOK Partners GP by resetting the current minimum quarterly distribution to the current distribution level (the IDR reset ) or (b) reduce ONEOK Partners GP s incentive distributions provided at the highest tier of the waterfall (the IDR cap ), and certain preliminary financial benefits and considerations of such potential structuring alternatives. Andrews Kurth provided the ONEOK Partners conflicts committee and Barclays a summary of the draft merger agreement and described certain potential issues for the ONEOK Partners conflicts committee to consider in connection with the draft merger agreement. The ONEOK Partners conflicts committee concluded from the meeting that the proposed merger was an attractive strategic option for ONEOK Partners and its unaffiliated unitholders if an appropriately attractive exchange ratio and dividend outlook could be negotiated, because none of the ONEOK GP Acquisition, IDR reset and IDR cap would provide ONEOK Partners common unitholders with certain benefits they would be afforded as common shareholders in ONEOK, such as increased liquidity, enhanced voting rights and an anticipated increased dividend coverage ratio, and, the IDR reset and IDR cap were only temporary solutions that, unlike the proposed merger, would not entirely eliminate the burden on ONEOK Partners cost of funding resulting from incentive distributions payable to ONEOK Partners GP.

On January 27, 2017, the ONEOK Partners conflicts committee held a telephonic meeting, at which representatives of Barclays and Andrews Kurth were present. Andrews Kurth discussed the updates it had made to the draft merger agreement based on the discussion they had held the previous day with the ONEOK Partners conflicts committee and Barclays. After reviewing the changes to the draft merger agreement, the ONEOK Partners conflicts committee authorized Andrews Kurth to send a revised draft merger agreement to representatives of Skadden, Arps. Barclays updated the ONEOK Partners conflicts committee as to its preliminary financial analysis utilizing the proposed premium and various higher exchange ratios and various dividend growth assumptions with respect to ONEOK common stock. The ONEOK Partners conflicts committee then discussed possible responses to ONEOK management regarding the proposed merger. During this discussion, the ONEOK Partners conflicts committee highlighted the inherent uncertainty surrounding any expected dividend increase because dividends are determined at the ONEOK Board s discretion from time to time. To that end, the ONEOK Partners conflicts committee proposed including in their counterproposal a request that ONEOK management include in its public guidance an expected immediate dividend increase and future expected dividend growth. Following discussion, the ONEOK Partners conflicts committee authorized representatives of Barclays to inform ONEOK management of a counterproposal from the ONEOK Partners conflicts committee that contemplated (i) an exchange ratio of 1.05 shares of ONEOK common stock per ONEOK Partners common unit (representing an approximate 30% implied premium based on January 26, 2017 closing prices), (ii) public guidance from ONEOK management of an immediate dividend increase to \$0.72 per share of ONEOK common stock and (iii) public guidance from ONEOK of a 10% dividend growth rate thereafter.

On January 27, 2017, at the direction of the ONEOK Partners conflicts committee, representatives of Barclays communicated such proposal to Mr. Spencer and Mr. Walter S. Hulse III, ONEOK s Executive Vice President, Strategic Planning and Corporate Affairs.

Also on January 27, 2017, representatives of Andrews Kurth sent a revised draft merger agreement to Skadden, Arps. The revised draft merger agreement, among other things, (i) included a requirement that the merger be approved by a majority of the common units held by the unaffiliated unitholders, (ii) eliminated the force the vote provision, (iii) provided that the ONEOK Partners conflicts committee would have the right to the extent necessary to meet its obligations to change its recommendation of the proposed merger with no termination fee payable by ONEOK Partners, although in the event of such a change in recommendation, ONEOK Partners would be required to reimburse up to \$10 million of ONEOK s expenses in connection with the transaction, (iv) provided that a change of recommendation by the ONEOK Partners conflicts committee would invalidate and rescind the Special Approval of

the merger agreement and the transactions contemplated

---

**Table of Contents**

thereby, (v) imposed certain additional limitations on the conduct of ONEOK's business during the period between signing of the merger agreement and closing of the merger, (vi) required ONEOK to reimburse up to \$10 million of ONEOK Partners' expenses in the event that there had been no change of recommendation by the ONEOK board, but the merger agreement was terminated due to the failure to obtain the requisite approvals of the ONEOK Partners unitholders or due to the failure of the merger to close by September 30, 2017, (vii) required ONEOK to pay a termination fee of 1% of ONEOK Partners' aggregate equity value based on the exchange ratio if (x) the ONEOK stockholders failed to approve the issuance of shares of ONEOK common stock in connection with the merger, (y) the ONEOK board changed its recommendation or (z) ONEOK materially breached the merger agreement, (viii) required ONEOK to pay a termination fee of 4% of ONEOK Partners' aggregate equity value based on the exchange ratio in certain cases where ONEOK consummated an alternative transaction that was entered into within 12 months of termination, (ix) required ONEOK Partners to reimburse up to \$10 million of ONEOK's expenses in the transaction if ONEOK Partners materially breached the merger agreement, (x) provided that the receipt of a tax opinion would be a mutual closing condition and (xi) expanded on a covenant providing that ONEOK and ONEOK Partners would coordinate with each other regarding any dividend increase and confirming that, upon consummation of the transaction, ONEOK management intended to recommend to the ONEOK Board an immediate increase to the quarterly dividend of ONEOK stock to not less than \$0.72 per share.

On January 28, 2017, Messrs. Spencer and Hulse and Mr. Derek S. Reiners, ONEOK's Senior Vice President, Chief Financial Officer and Treasurer, communicated to a representative of Barclays a revised ONEOK proposal of an exchange ratio of 0.942, representing a 17% implied premium, based on January 27, 2017 closing prices, a target post-closing quarterly dividend of \$0.735 per share of ONEOK common stock, and that ONEOK management would consider communicating a dividend growth rate range of 8 to 10%.

On January 28, 2017, the ONEOK Partners conflicts committee held a telephonic meeting, at which representatives of Barclays and Andrews Kurth were present. The purpose of the meeting was to discuss the counterproposal that ONEOK management had conveyed to representatives from Barclays earlier in the day. Barclays updated the ONEOK Partners conflicts committee regarding the financial projections prepared by ONEOK and ONEOK Partners GP management and certain financial matters and its preliminary financial analyses based on the counterproposal. The ONEOK Partners conflicts committee also discussed the benefits and considerations with respect to the proposed merger, such as those described under Recommendation of the ONEOK Partners Conflicts Committee and the ONEOK Partners Board and their Reasons for the Merger, and discussed potential exchange ratios at which the ONEOK Partners conflicts committee might support the proposed merger. Following discussion, the ONEOK Partners conflicts committee authorized representatives of Barclays to inform ONEOK management of a counterproposal that contemplated (i) an exchange ratio of 1.025 shares of ONEOK common stock per ONEOK Partners common unit (representing an approximate 27.3% implied premium based on January 27, 2017 closing prices), (ii) public guidance from ONEOK management of an immediate dividend increase to \$0.735 per share of ONEOK common stock and (iii) public guidance from ONEOK of a 8-10% dividend growth rate thereafter.

Later in the day on January 28th, at the direction of the ONEOK Partners conflicts committee, a representative of Barclays communicated such proposal to Messrs. Spencer and Hulse.

Later in the day on January 28th, Mr. Craig F. Strehl, chairman of the ONEOK Partners conflicts committee, and Mr. Spencer held a telephonic meeting to discuss the ONEOK Partners conflicts committee's counterproposal and the reasoning of the ONEOK Partners conflicts committee. After that discussion, the ONEOK Partners conflicts committee held a telephonic meeting, with representatives from Andrews Kurth and Barclays present, to discuss the meeting Mr. Strehl had held with Mr. Spencer and confirmed that the ONEOK Partners conflicts committee would wait for a further proposal from ONEOK.



During the evening on January 28th, Messrs. Spencer, Hulse and Reiners communicated to a representative of Barclays a further revised ONEOK proposal of an exchange ratio of 0.966 of a share of ONEOK common

---

**Table of Contents**

stock for each ONEOK Partners common unit (representing an approximate 20% implied premium, based on January 27, 2017 closing prices), and a target post-closing quarterly dividend of \$0.74 per share of ONEOK common stock.

Later in the evening on January 28th, representatives of Skadden, Arps sent a revised draft of the merger agreement to Andrews Kurth. The revised draft merger agreement, among other things, (i) eliminated the proposed requirement that the merger be approved by a majority of the common units held by the unaffiliated unitholders, (ii) reinstated the force the vote provision, (iii) provided that the ONEOK Partners conflicts committee would have the right to the extent necessary to meet its obligations to change its recommendation of the proposed merger, but provided for the payment by ONEOK Partners of a \$200 million termination fee in such event, (iv) eliminated the concept that a change of recommendation by the ONEOK Partners conflicts committee would invalidate and rescind the Special Approval of the merger agreement and the transactions contemplated thereby, (v) eliminated certain of the proposed additional limitations on the conduct of ONEOK's business during the period between signing of the merger agreement and closing of the merger, (vi) required ONEOK to reimburse up to \$10 million of ONEOK Partners' expenses in the transaction if there had been no change of recommendation by the ONEOK board, but the ONEOK stockholders failed to approve the issuance of shares of ONEOK common stock in connection with the merger, but not to pay any termination fee in such circumstance, (vii) required ONEOK to pay a termination fee of \$100 million (x) if ONEOK materially breached the merger agreement and (y) in certain cases where ONEOK consummated an alternative transaction entered into within 12 months of termination, and (viii) required ONEOK to pay a termination fee of \$200 million if the ONEOK board changed its recommendation or terminated the merger agreement in order to accept another proposal.

On January 29, 2017, a representative of Barclays and Mr. Hulse discussed ONEOK management's views regarding the expected dividend growth rate for the shares of ONEOK common stock assuming consummation of the merger. Mr. Hulse explained that management was considering communicating a dividend growth rate range of 8 to 10% in order to provide room for fluctuation in the event that performance was below expectations, but that management's view was that if performance expectations were met, the expected dividend growth rate would be 10%, which was consistent with the dividend growth rate expectation that ONEOK management had presented to the ONEOK board and the rating agencies.

On January 29, 2017, the ONEOK Partners conflicts committee held a telephonic meeting, at which representatives of Barclays and Andrews Kurth were present. The purpose of the meeting was to discuss the counterproposal that ONEOK management had conveyed to representatives from Barclays late in the evening on January 28, 2017. Barclays reported to the ONEOK Partners conflicts committee an earlier conversation it had held with ONEOK management regarding the dividend growth rate range of 8 to 10%. Barclays discussed with the ONEOK Partners conflicts committee its updated preliminary financial analyses using the exchange ratio provided in the earlier counterproposal, including the total expected annual dividends on the shares of ONEOK common stock to be received by the ONEOK Partners unaffiliated unitholders, using the full 8-10% dividend growth rate range. Because the forecast and expected accretion to the unaffiliated unitholders provided different results based on the high and low end of the dividend growth rate range, the ONEOK Partners conflicts committee authorized representatives of Barclays to inform ONEOK management of two separate counterproposals. The first proposal was to keep the guidance of dividend growth the same at 8-10%, in which case the ONEOK Partners conflicts committee would request a 1.0175 exchange ratio. The second proposal was to enhance the ONEOK Partners conflicts committee's ability to rely on the 10% guidance of dividend growth rate, in which case the ONEOK Partners conflicts committee would request a 1.00 exchange ratio. In either case, the conflicts committee agreed that the targeted post-closing dividend of \$0.74 per share would remain part of the proposal.

Later on January 29, 2017, at the direction of the ONEOK Partners conflicts committee, a representative of Barclays called Messrs. Spencer and Hulse with the counterproposal from the ONEOK Partners conflicts committee.

---

**Table of Contents**

Later on January 29, 2017, Messrs. Spencer, Hulse and Reiners called a representative of Barclays with a revised ONEOK proposal of 0.966 of a share of ONEOK common stock for each ONEOK Partners common unit (representing an approximate 20% implied premium, based on January 27, 2017 closing prices) and a target post-closing quarterly dividend of \$0.745 per share of ONEOK common stock. Messrs. Spencer, Hulse and Reiners told the Barclays representative that, in light of the expected pro forma coverage ratios, in connection with transaction announcement, ONEOK management would consider adjusting its guidance regarding its expected dividend growth rate to 8 to 10%, and noting in the guidance that management expected the growth rate to be at the upper end of the range if financial results are consistent with expectations. Following that discussion, Mr. Hulse sent to Barclays additional documentation regarding ONEOK management's expectations with respect to the post-closing dividend growth rate.

Later on January 29, 2017, the ONEOK Partners conflicts committee held several telephonic meetings, at which representatives of Barclays and Andrews Kurth were present. During these calls, the ONEOK Partners conflicts committee and its advisors discussed the most recent counterproposal from ONEOK and discussed the updated information provided by ONEOK management. Following the discussions, the ONEOK Partners conflicts committee authorized representatives of Barclays to inform ONEOK management of a counterproposal from the ONEOK Partners conflicts committee that contemplated (i) an exchange ratio of 0.99 shares of ONEOK common stock per ONEOK Partners common unit (representing an approximate 23% implied premium based on January 27, 2017 closing prices), (ii) public guidance from ONEOK management of an immediate dividend increase to \$0.745 per share of ONEOK common stock and (iii) public guidance from ONEOK of a 8-10% dividend growth thereafter.

Later on January 29, 2017, at the direction of the ONEOK Partners conflicts committee, a representative of Barclays called Messrs. Spencer and Hulse with the ONEOK Partners conflicts committee's revised counterproposal.

Later, Mr. Strehl and Mr. Spencer spoke by phone. Mr. Strehl informed Mr. Spencer that the ONEOK Partners conflicts committee had determined that a transaction with ONEOK would not be acceptable unless the total expected annual dividends on the shares of ONEOK common stock to be received would project to be accretive to the unaffiliated unitholders in 2020 and 2021 as compared to the distributions contemplated under the standalone ONEOK Partners forecast, which was a fundamental reason why the ONEOK Partners conflicts committee continued to propose that ONEOK management give public guidance surrounding the expected immediate dividend increase and targeted future increases.

Later on January 29, 2017, Mr. Spencer called Mr. Strehl with a revised ONEOK proposal of a 0.974 exchange ratio (representing an approximate 21% implied premium, based on January 27, 2017 closing prices), and a target post-closing quarterly dividend of \$0.745 per share of ONEOK common stock. Mr. Spencer noted that the revised proposal met the objectives of the ONEOK Partners conflicts committee as expressed by Mr. Strehl.

Later on January 29, 2017, the ONEOK Partners conflicts committee held a telephonic meeting, at which representatives of Barclays and a representative of Andrews Kurth were present, to discuss the latest counterproposal from ONEOK. The ONEOK Partners conflicts committee discussed the latest counterproposal, and following that discussion, the ONEOK Partners conflicts committee authorized Mr. Strehl to inform ONEOK management of the ONEOK Partners conflicts committee's final proposed offer of (i) a 0.985 exchange ratio (representing an approximate 22.5% implied premium, based on January 27, 2017 closing prices), (ii) public guidance from ONEOK management of an immediate dividend increase to \$0.745 and (iii) public guidance from ONEOK of a 10% dividend growth thereafter if performance expectations were met.

Later on January 29, 2017, Mr. Strehl called Mr. Spencer with a revised counterproposal of a 0.985 exchange ratio (representing an approximate 22.5% implied premium, based on January 27, 2017 closing prices), a target

post-closing quarterly dividend of \$0.745 per share of ONEOK common stock, and anticipated dividend growth rate guidance of 10%. Mr. Strehl told Mr. Spencer that this was the ONEOK Partners conflicts committee's best and final proposal.

---

**Table of Contents**

Late in the evening on January 29, 2017, the ONEOK board held a special telephonic meeting. Members of ONEOK management and representatives of Skadden, Arps were also in attendance. Members of ONEOK management reported to the ONEOK board regarding the discussions that had occurred with the ONEOK Partners conflicts committee and its advisors following the initial ONEOK proposal on January 24<sup>th</sup>, including the most recent counterproposal received from the ONEOK Partners conflicts committee. ONEOK management also explained to the ONEOK board that the draft merger agreement was still under negotiation and that there were unresolved issues. ONEOK management and the ONEOK board also discussed the expected dividend growth rate, and the ONEOK board concluded that it would be appropriate for ONEOK management to provide guidance regarding the dividend growth rate in a range of 9 to 11%. The ONEOK board also further discussed the potential interests of certain directors in the transaction by virtue of their ownership of ONEOK Partners common units or their positions as directors of ONEOK Partners and certain provisions of the certificate of incorporation of ONEOK regarding the ability of directors who are in any way interested in or connected to a party to a transaction with ONEOK to vote on the transaction, and the potential formation of a special committee of the ONEOK board in light of such provisions. The ONEOK board authorized ONEOK management to attempt to negotiate final terms of a transaction with an exchange ratio of 0.985 of a share of ONEOK common stock for each ONEOK Partners common unit (representing an approximate 22.5% implied premium, based on January 27, 2017 closing prices), a target post-closing quarterly dividend of \$0.745 per share of ONEOK common stock and anticipated dividend growth guidance of 9-11%.

On January 30, 2017, Mr. Spencer called Mr. Strehl and noted that ONEOK was awaiting feedback from the ONEOK Partners conflicts committee regarding ONEOK's latest draft merger agreement in order to determine whether there were any remaining significant unresolved issues on the draft merger agreement. Mr. Spencer informed Mr. Strehl that if the parties could reach agreement on the terms of the merger agreement, ONEOK management would be prepared to recommend to the ONEOK board the economic terms contained in the last counterproposal by the ONEOK Partners conflicts committee.

Over the course of January 30 and 31, 2017, representatives of Skadden, Arps, in consultation with ONEOK management, and representatives of Andrews Kurth participated in multiple conference calls, and negotiated and finalized the terms of the proposed merger agreement, including the amounts and causes for the applicable termination and reimbursement fees. During this period, the ONEOK Partners conflicts committee held several telephonic meetings with representatives from Andrews Kurth and Barclays regarding the draft merger agreement. Andrews Kurth reviewed the proposed revisions to the draft merger agreement, including certain tax implications and termination fees, with the ONEOK Partners conflicts committee throughout January 30 and 31 as Andrews Kurth and Skadden, Arps worked to finalize the terms of the proposed merger agreement.

On January 31, 2017, the ONEOK Partners conflicts committee held a special meeting, which was attended telephonically by representatives of Barclays and in-person and telephonically by representatives of Andrews Kurth. Andrews Kurth provided the ONEOK Partners conflicts committee with an overview of various matters relating to the proposed merger and the terms of the proposed merger agreement. Also at this meeting, Barclays reviewed its financial analysis of the proposed exchange ratio with the ONEOK Partners conflicts committee and, at the request of the ONEOK Partners conflicts committee, rendered an oral opinion to the ONEOK Partners conflicts committee, which was subsequently confirmed by delivery of a written opinion dated as of January 31, 2017, to the effect that, as of such date and based on and subject to various assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken, the exchange ratio of 0.985 of a share of ONEOK common stock per common unit of ONEOK Partners provided for pursuant to the merger agreement was fair, from a financial point of view, to the ONEOK Partners unaffiliated unitholders. Barclays also reiterated to the ONEOK Partners conflicts committee the nature of its relationship and engagements for ONEOK Partners, ONEOK and their affiliates since January 1, 2014 and the amount and nature of the fees it received from such parties in its presentation dated January 31, 2017. At this meeting, the ONEOK Partners conflicts committee unanimously (i) determined that the

merger and the merger agreement, including the transactions contemplated thereby, are fair and reasonable to ONEOK Partners and the unaffiliated unitholders, (ii) authorized and approved the merger and the merger agreement, including the transactions

---

**Table of Contents**

contemplated thereby, (iii) recommended to the ONEOK Partners board that the ONEOK Partners board (a) approve the merger and the merger agreement, (b) cause the general partner of ONEOK Partners and ONEOK Partners to execute the merger agreement, (c) submit the merger agreement and the merger to the ONEOK Partners unitholders for approval, and (d) subject to obtaining the requisite approval of the ONEOK Partners unitholders, cause the general partner of ONEOK Partners and ONEOK Partners to consummate the merger upon the terms and conditions set forth in the merger agreement, and (iv) subject to approval by the ONEOK Partners board and submission to the ONEOK Partners unitholders for approval, determined to recommend that the ONEOK Partners unitholders approve the merger agreement. The action by the ONEOK Partners conflicts committee constituted Special Approval under the ONEOK Partners limited partnership agreement. See Recommendation of the ONEOK Partners Conflicts Committee and the ONEOK Partners Board and their Reasons for the Merger.

Later on January 31, 2017, a meeting of the ONEOK Partners board was held. In addition to members of ONEOK management, the meeting was attended by representatives of Barclays, Andrews Kurth and Skadden, Arps. The ONEOK Partners conflicts committee provided a report to the full ONEOK Partners board as to its determinations, and as to its receipt of the oral opinion of Barclays, confirmed by delivery of a written opinion dated as of January 31, 2017, to the ONEOK Partners conflicts committee to the effect that, as of such date and based on and subject to various assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken, the exchange ratio of 0.985 of a share of ONEOK common stock per common unit of ONEOK Partners provided for pursuant to the merger agreement was fair, from a financial point of view, to the ONEOK Partners unaffiliated unitholders. The full ONEOK Partners board discussed the report and the proposed transaction with the conflicts committee and Barclays. At this meeting, the ONEOK Partners board (acting based upon the recommendation of the ONEOK Partners conflicts committee) unanimously (i) determined that (a) the consummation of the merger, (b) the exchange ratio of 0.985 of a share of ONEOK common stock for each ONEOK Partners common unit, and (c) the other transactions contemplated by the merger agreement are fair and reasonable to, and in the best interests of, ONEOK Partners and the unaffiliated unitholders, (ii) approved, adopted and authorized the merger agreement, the execution, delivery and performance of the merger agreement and the transactions contemplated by the merger agreement, (iii) determined to submit the merger agreement to the ONEOK Partners unitholders for approval, and (iv) resolved to recommend approval of the merger agreement by the ONEOK Partners unitholders.

Later on January 31, 2017, a special meeting of the ONEOK board was convened. Members of ONEOK management and representatives of J.P. Morgan, Morgan Stanley (financial advisor to ONEOK) and Skadden, Arps were also in attendance. ONEOK management had previously consulted with Morgan Stanley regarding strategic matters periodically throughout the negotiations with the ONEOK Partners conflicts committee. During this meeting, the ONEOK board discussed the proposed merger in which ONEOK would acquire all of the public outstanding common units of ONEOK Partners that it does not already directly or indirectly own in an all stock-for-unit transaction at a ratio of 0.985 of a share of ONEOK common stock per common unit of ONEOK Partners, as well as the contemplated dividend increase and the expected dividend growth rate. Representatives of J.P. Morgan then presented its financial analyses regarding the merger and rendered to the ONEOK board an oral opinion, subsequently confirmed by delivery of a written opinion, dated January 31, 2017, to the effect that, as of such date and based upon and subject to the factors, assumptions, qualifications and any limitations set forth in its written opinion, the exchange ratio in the merger was fair, from a financial point of view, to ONEOK. Representatives of Morgan Stanley discussed with the ONEOK board the expected market reaction as well as benefits and considerations to the merger. Representatives of Skadden, Arps reviewed the principal legal terms of the merger agreement. Following discussion, in light of the fact that certain ONEOK directors are on the ONEOK Partners board and certain ONEOK directors own common units in ONEOK Partners and certain provisions of the certificate of incorporation of ONEOK regarding the ability of directors who are in any way interested in or connected to a party to a transaction with ONEOK to vote on the transaction, the ONEOK board formed a special committee of independent directors that neither sat on the ONEOK



Partners board nor owned ONEOK Partners common units to consider and approve the transaction. After discussion, the ONEOK special committee unanimously determined that the transactions contemplated by the merger agreement were advisable

## **Table of Contents**

and fair to, and in the best interests of, ONEOK and its stockholders, unanimously approved the merger agreement and unanimously recommended that ONEOK stockholders vote in favor of approving the ONEOK common stock issuance contemplated by the merger agreement.

Later that day, ONEOK and ONEOK Partners executed the merger agreement.

On February 1, 2017, ONEOK and ONEOK Partners issued a joint press release announcing the execution of the merger agreement.

## **Recommendation of the ONEOK Partners Conflicts Committee and the ONEOK Partners Board and their Reasons for the Merger**

The ONEOK Partners conflicts committee consists of three independent directors: Craig F. Strehl, Michael G. Hutchinson, and Gary N. Petersen. The ONEOK Partners board authorized the ONEOK Partners conflicts committee to (a) review and evaluate the proposed merger on behalf of ONEOK Partners, (b) negotiate, or delegate to any person or persons the ability to negotiate, the terms of the proposed merger on behalf of ONEOK Partners, (c) hire independent legal and financial advisors, (d) determine whether or not to approve the proposed merger by Special Approval, as such term is defined by the ONEOK Partners partnership agreement, and (e) make such recommendations to the ONEOK Partners unaffiliated unitholders, regarding what action, if any should be taken by the ONEOK Partners unaffiliated unitholders with respect to the proposed merger.

On January 31, 2017, the ONEOK Partners conflicts committee (i) determined in good faith that the merger and the merger agreement, including the transactions contemplated thereby, are fair and reasonable to, and in the best interests of, ONEOK Partners and the ONEOK Partners unaffiliated unitholders, (ii) authorized and approved the merger and the merger agreement, including the transactions contemplated thereby, and recommended to the ONEOK Partners board that it: (A) approve the merger and the merger agreement; (B) cause ONEOK Partners GP and ONEOK Partners to execute and deliver the merger agreement; (C) submit the merger and the merger agreement to the ONEOK Partners unitholders for approval; and (D) subject to obtaining the requisite approval of ONEOK Partners unitholders, cause ONEOK Partners GP and ONEOK Partners to complete the merger agreement. The ONEOK Partners conflicts committee also resolved, subject to approval of the ONEOK Partners board and submission to ONEOK Partners unitholders, to recommend approval of the merger and the merger agreement, including the transactions contemplated thereby, by the ONEOK Partners common unitholders. The ONEOK Partners conflicts committee's approval constitutes Special Approval, as such term is defined by the ONEOK Partners partnership agreement.

Later on January 31, 2017, the ONEOK Partners board (based upon the recommendation of the ONEOK Partners conflicts committee) unanimously determined that the merger and the merger agreement, including the transactions contemplated thereby, are fair and reasonable to, and in the best interests of, ONEOK Partners and the ONEOK Partners unaffiliated unitholders, approved the execution, delivery and performance of the merger agreement and the transactions contemplated thereby, including the merger, and resolved to submit the merger and the merger agreement to a vote of the ONEOK Partners unitholders and recommend approval of the merger agreement by the ONEOK Partners unitholders.

ONEOK Partners GP, the ONEOK Partners conflicts committee, and the ONEOK Partners board have not, including, without limitation, in making the determinations set forth above, assumed any obligations to ONEOK Partners or its limited partners (whether fiduciary, contractual, implied, or otherwise) other than those obligations that may exist in the ONEOK Partners partnership agreement. Under the ONEOK Partners partnership agreement, whenever ONEOK Partners GP makes a determination or takes any other action, in its capacity as the general partner of ONEOK Partners, ONEOK Partners GP must make such determination or take such other action in good faith and is not subject

to any other or different standard under applicable law (other than the implied contractual covenant of good faith and fair dealing). In order for a determination or other action to be in good faith for purposes of the ONEOK Partners partnership agreement, ONEOK Partners GP must believe that

**Table of Contents**

the determination or other action is in, or not inconsistent with, the best interests of ONEOK Partners. Nothing in this joint proxy statement/prospectus or the actions or determinations of ONEOK Partners GP, the ONEOK Partners conflicts committee, or the ONEOK Partners board described in this joint proxy statement/prospectus should be read to mean that ONEOK Partners GP, the ONEOK Partners conflicts committee, or the ONEOK Partners board assumed any obligations to ONEOK Partners or its limited partners (whether fiduciary, contractual, implied, or otherwise) other than those obligations that may exist in the ONEOK Partners partnership agreement. You are urged to read the full text of the ONEOK Partners partnership agreement, which is incorporated by reference into this joint proxy statement/prospectus. See [Where You Can Find More Information](#) beginning on page 151.

The ONEOK Partners conflicts committee viewed the following factors as generally positive or favorable in arriving at its determinations and recommendation with respect to the merger, the order of which does not necessarily reflect their relative significance:

The exchange ratio of 0.985 of a ONEOK share for each outstanding ONEOK Partners common unit provides ONEOK Partners common unitholders with an exchange ratio that is above the 2-year average relative exchange ratio as of January 31, 2017 (the last trading day before the public announcement of the merger) based on the trading prices of ONEOK Partners common units and shares of ONEOK common stock during such period.

The exchange ratio of 0.985 of a ONEOK share for each outstanding ONEOK Partners common unit represents an implied value of \$54.28 based upon the closing price of shares of ONEOK common stock on January 31, 2017 (the last trading day before the public announcement of the merger), and represents an implied premium of approximately 26% to the closing price of ONEOK Partners common units on January 31, 2017 and approximately 24% to the 10 trading day volume-weighted average price of ONEOK Partners common units for the period ended on January 31, 2017.

The merger eliminates the burden on ONEOK Partners' cost of funding resulting from the level of incentive distributions payable to ONEOK, which could from time to time make it more challenging for ONEOK Partners to pursue accretive acquisitions and relatively more expensive to fund its capital-growth program. The merger is expected to provide ONEOK Partners common unitholders with equity ownership in an entity with a substantially lower cost of funding, which is expected to provide greater ability to pursue accretive capital-growth projects and acquisitions.

The merger will provide ONEOK Partners common unitholders with equity ownership in an entity with an anticipated increased dividend coverage ratio, which is expected to result in (i) greater market confidence in the current dividend, (ii) an enhanced outlook for dividend growth and (iii) better positioning for varying and uncertain industry and commodity pricing environments, allowing for investment in growth opportunities with reduced dependency on accessing the equity markets to fund growth.

The ONEOK Partners conflicts committee selected and retained its own independent legal and financial advisors with knowledge and experience with respect to public merger and acquisition transactions, MLPs, ONEOK Partners' industry generally, and ONEOK Partners particularly, as well as substantial experience

advising MLPs and other companies with respect to transactions similar to the merger.

The financial presentation and opinion of Barclays, dated as of January 31, 2017, to the ONEOK Partners conflicts committee as to the fairness, from a financial point of view and as of the date of the opinion, of the exchange ratio provided for pursuant to the merger agreement, which opinion was based on and subject to the assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken as more fully described below under Opinion of the Financial Advisor to the ONEOK Partners Conflicts Committee.

ONEOK's status as a corporation and its size following the merger is expected to provide a number of benefits relative to ONEOK Partners' MLP structure, including that corporations attract a broader set

**Table of Contents**

of investors as compared to MLPs because certain types of institutional investors face prohibitions or limitations on investing in entities other than corporations, and that ONEOK Partners common unitholders will benefit from enhanced voting and other rights as shareholders of a corporation as opposed to unitholders of an MLP controlled by a general partner.

The merger will simplify ONEOK's corporate structure and eliminate potential conflicts of interest between ONEOK and ONEOK Partners.

The terms and conditions of the merger were determined through arms-length negotiations between the ONEOK Partners conflicts committee and their independent legal and financial advisors, on the one hand, and the ONEOK board and its representatives and advisors, on the other hand.

The terms of the merger agreement, including:

the provisions requiring ONEOK and its affiliates to vote ONEOK Partners units beneficially owned in favor of the merger proposal;

the pre-closing operating covenants for ONEOK providing protection to ONEOK Partners common unitholders by restricting ONEOK's ability to take certain actions prior to the closing of the merger that could reduce the value of the merger consideration;

the ONEOK Partners termination amounts owed by ONEOK to ONEOK Partners in connection with termination of the merger agreement in certain circumstances (as described under "The Merger Agreement" Effect of Termination; Termination Fees ); and

the completion of the merger is not conditioned on financing.

In addition, the ONEOK Partners conflicts committee identified and considered several generally or potentially negative or unfavorable factors, to be balanced against the favorable or positive factors listed above in arriving at its determinations and recommendation with respect to the merger, including the following, the order of which does not necessarily reflect their relative significance:

The merger should be a taxable transaction to ONEOK Partners common unitholders for U.S. federal income tax purposes.

Following the merger, the income of the resulting combined entity will be subject to double taxation (at the combined company and shareholder levels) for U.S. federal income tax purposes, while income of ONEOK Partners is currently subject to only one level of tax (at the unitholder level).

The ONEOK Partners conflicts committee did not conduct or authorize Barclays to conduct an auction process or other solicitation of interest from third parties for the acquisition of ONEOK Partners. Since ONEOK indirectly controls ONEOK Partners and ONEOK was not interested in pursuing a sale of ONEOK Partners to a third party, it was unrealistic to expect an unsolicited third-party acquisition proposal to acquire assets or control of ONEOK Partners, and it was unlikely that the ONEOK Partners conflicts committee could conduct a meaningful process to solicit interest in the acquisition of assets or control of ONEOK Partners.

The ONEOK Partners common unitholders will receive shares of ONEOK common stock that are expected, through 2019, to pay a lower dividend as compared to the expected distributions on ONEOK Partners common units on a standalone basis.

Although the merger is subject to approval by holders of a majority of the outstanding ONEOK Partners units entitled to vote at the ONEOK Partners special meeting, ONEOK Partners units held by ONEOK and its affiliates (approximately 40.0% of the outstanding common units, assuming the conversion of ONEOK's Class B units to common units, as of April 20, 2017) will count towards the determination of whether the merger agreement has been adopted by ONEOK Partners common unitholders, and there is no requirement for separate approval by the unaffiliated ONEOK Partners common unitholders.

**Table of Contents**

The exchange ratio is fixed and therefore the implied value of the consideration payable to ONEOK Partners common unitholders will decrease in the event that the market price of shares of ONEOK common stock decreases prior to the closing of the merger.

There is risk that the potential benefits expected to be realized in the merger might not be fully realized.

The merger may not be completed in a timely manner, or at all, which could result in significant costs and disruption to ONEOK Partners' normal business.

Certain terms of the merger agreement, principally:

the provisions allowing the ONEOK board to make a ONEOK adverse recommendation change in response to a superior proposal or an intervening event (as described under "The Merger Agreement - ONEOK Recommendation and ONEOK Adverse Recommendation Change");

the provisions allowing for ONEOK to participate in negotiations with a third party in response to an unsolicited alternative proposal, which may, in certain circumstances, result in a superior proposal for ONEOK (as described under "The Merger Agreement - No Solicitation by ONEOK of Alternative Proposals");

the provisions requiring ONEOK Partners to hold a special meeting as soon as practicable to approve the merger, even if the ONEOK Partners conflicts committee or ONEOK Partners board effects a ONEOK Partners adverse recommendation change (as described under "The Merger Agreement - ONEOK Partners GP Recommendation and ONEOK Partners Adverse Recommendation Change"); and

the termination fees owed by ONEOK Partners to ONEOK in connection with termination of the merger agreement in certain circumstances (as described under "The Merger Agreement - Effect of Termination; Termination Fees").

ONEOK Partners common unitholders are not entitled to appraisal rights under the merger agreement, the ONEOK Partners partnership agreement or Delaware law.

ONEOK Partners common unitholders will be foregoing the potential benefits that could be realized by remaining common unitholders of a stand-alone entity.

Litigation may be commenced in connection with the merger and such litigation may increase costs and result in a diversion of management focus.



Some of ONEOK Partners' directors and executive officers may have interests in the merger that are different from, or in addition to, the interests they may have as ONEOK Partners common unitholders.

In view of the variety of factors and the quality and amount of information considered, the ONEOK Partners conflicts committee as a whole did not find it practicable to and did not quantify or otherwise assign relative weights to the specific factors considered in reaching its determination but conducted an overall analysis of the merger. Individual members of the ONEOK Partners conflicts committee may have given different relative considerations to different factors.

The explanation of the reasoning of the ONEOK Partners conflicts committee and certain information presented in this section are forward-looking in nature and, therefore, the information should be read in light of the factors discussed in the sections entitled "Cautionary Statement Regarding Forward-Looking Statements" and "Risk Factors."

In reaching its conclusions regarding the merger, the ONEOK Partners board not only considered the process by which the ONEOK Partners conflicts committee made its recommendations but also considered the matters described above and considered by the ONEOK Partners conflicts committee. As in the case of the

## **Table of Contents**

ONEOK Partners conflicts committee, in view of the variety of factors and the quality and amount of information considered, the ONEOK Partners board as a whole did not find it practicable to and did not quantify or otherwise assign relative weights to the specific factors considered in reaching its determination but conducted an overall review of the merger. Individual members of the ONEOK Partners board may have given different relative considerations to different factors.

### **Recommendation of the ONEOK Special Committee and its Reasons for the Merger**

In light of the fact that certain ONEOK directors are on the ONEOK Partners board and certain ONEOK directors own ONEOK Partners common units, and certain provisions of the ONEOK certificate of incorporation regarding the ability of directors who are in any way interested in or connected to a party to a transaction with ONEOK to vote on the transaction, the ONEOK board formed a special committee of independent directors that neither sat on the ONEOK Partners board nor owned ONEOK Partners common units to consider and approve the transaction. The ONEOK special committee consists of four independent directors: Brian L. Derksen, Randall J. Larson, Gary D. Parker and Eduardo A. Rodriguez.

At a meeting held on January 31, 2017, the ONEOK special committee unanimously determined that the merger, the merger agreement, and the transactions contemplated thereby, including the ONEOK stock issuance, are advisable and fair to, and in the best interests of, ONEOK and the ONEOK shareholders. The ONEOK special committee unanimously approved the merger, the merger agreement and the transactions contemplated thereby, including the ONEOK stock issuance, and recommends that the ONEOK shareholders vote FOR the ONEOK stock issuance proposal. In making this determination, the ONEOK special committee consulted with ONEOK's management and with its financial and legal advisors, and considered a number of factors. In view of the variety of factors and the quality and amount of information considered, the ONEOK special committee as a whole did not find it practicable to and did not quantify or otherwise assign relative weights to the specific factors considered in reaching its determination but conducted an overall review of the merger. Individual members of the ONEOK special committee may have given different relative considerations to different factors. The decision of the ONEOK special committee was based upon a number of potential benefits of the transactions and other factors that it believed would contribute to the success of the combined company, and thus benefit the ONEOK shareholders, including the factors mentioned below, the order of which does not necessarily reflect their relative significance.

The purpose of the merger is to enable ONEOK to acquire indirectly all of the outstanding ONEOK Partners common units that ONEOK and its subsidiaries do not already own. The ONEOK special committee believes that the structure of the merger is preferable to other structures because it will enable ONEOK to acquire indirectly at one time all of the outstanding ONEOK Partners common units that it does not already own, while allowing the ONEOK Partners common unitholders (other than ONEOK, ONEOK Partners GP and their affiliates) to participate and share in the potential future profits of ONEOK.

The ONEOK special committee's reasons for entering into the merger at this time include the following:

The merger is expected to be immediately accretive to ONEOK shareholders.

ONEOK believes that the merger provides the opportunity to deliver immediate and significant incremental value to ONEOK shareholders following the merger.

ONEOK expects that the merger will allow ONEOK to increase significantly its quarterly dividend and to maintain a dividend coverage ratio greater than 1.2 times.

ONEOK's improved pro forma financial position as a result of the merger is expected to create approximately \$1.5 billion of incremental cash flow coverage over 5 years based on the commodity price scenario assumed, which can be used to reinvest in ONEOK's business or to reduce outstanding indebtedness.

**Table of Contents**

The merger is expected to generate significant tax benefits for ONEOK.

The elimination of the IDRs is expected to reduce the combined company's cost of funding as compared to ONEOK Partners, the primary growth investment vehicle prior to the merger.

ONEOK expects the combined entity to receive investment-grade credit ratings, and expects significant retained cash flow and earnings growth to continue its progress toward improved credit metrics.

The merger will result in one publicly traded company versus two, which results in one equity holder base. The corporation structure with larger pro forma market capitalization is expected to attract a broader universe of investors and allow ONEOK to access a larger pool of capital to finance future growth.

ONEOK believes the pro forma company has enhanced growth potential through acquisitions and more financial flexibility to invest in organic growth.

The fact that J.P. Morgan delivered an oral opinion to the ONEOK board (which was subsequently confirmed in writing by delivery of J.P. Morgan's written opinion dated January 31, 2017) to the effect that, as of such date and based upon and subject to the factors, assumptions, qualifications and any limitations set forth in its written opinion, the exchange ratio in the merger was fair, from a financial point of view, to ONEOK. See Opinion of the Financial Advisor to ONEOK.

In addition, the ONEOK special committee identified and considered several generally or potentially negative or unfavorable factors, to be balanced against the favorable or positive factors listed above in arriving at its determinations and recommendation with respect to the merger, including the following, the order of which does not necessarily reflect their relative significance:

The pendency of the merger for an extended period following the announcement of the execution of the merger agreement could have an adverse impact on ONEOK and ONEOK Partners.

One or more of the conditions to the merger may not be satisfied.

The attention of management and employees may be diverted during the period prior to completion of the merger, and the potential negative effect on ONEOK's and ONEOK Partners' businesses.

ONEOK common stock may not trade at the expected valuations.

The potential benefits sought in the merger may not be realized, or may not be realized within the expected time period.

The merger agreement restricts the conduct of ONEOK's business during the period between execution of the merger agreement and the completion of the merger.

Litigation may be commenced in connection with the merger and such litigation may increase costs and result in a diversion of management focus.

The payment of a termination fee owed by ONEOK to ONEOK Partners in connection with termination of the Merger Agreement in certain circumstances (as described under "The Merger Agreement - Effect of Termination; Termination Fees") could have material and adverse consequences to the financial condition and results of operations of ONEOK.

The resulting pro forma company might not achieve its expected financial results.

The explanation of the reasoning of the ONEOK special committee and certain information presented in this section are forward-looking in nature and, therefore, the information should be read in light of the factors discussed in the sections entitled "Cautionary Statement Regarding Forward-Looking Statements" and "Risk Factors."

---

**Table of Contents****Unaudited Projected Financial Information**

Neither ONEOK nor ONEOK Partners routinely publishes projections as to long-term future performance or earnings. However, in connection with the proposed merger, ONEOK management and ONEOK Partners GP management prepared and provided to the ONEOK board, the ONEOK Partners board and the ONEOK Partners conflicts committee certain internal projections that included future financial performance of ONEOK, ONEOK Partners and Pro Forma ONEOK with respect to 2016 through 2021. ONEOK management and ONEOK Partners GP management prepared a set of non-public expected case projections for ONEOK, ONEOK Partners and Pro Forma ONEOK with respect to 2016 through 2021 (the **Expected Case Projections**), and provided those projections to J.P. Morgan and Barclays. In addition, at the request of Barclays, ONEOK management and ONEOK Partners GP management provided to Barclays a set of non-public flat case projections they had prepared for ONEOK and ONEOK Partners with respect to 2016 through 2021 (the **ONEOK and ONEOK Partners Flat Case Projections**). The **Expected Case Projections** and the **Flat Case Projections** differ by reason of using different ONEOK and ONEOK Partners GP management assumptions regarding commodity prices and assumed impacts on volumes and other factors. With the consent of the ONEOK Partners conflicts committee, Barclays also reviewed a published Wall Street analyst's future commodity price assumptions and estimates of financial performance for ONEOK and ONEOK Partners through 2020, and assumed that 2021 results would be the same as the 2020 results reflected in such analyst estimates, which are referred to as the **Research Case Projections** for ONEOK and ONEOK Partners, respectively. Based on Barclays professional judgment and expertise in similar transactions, the ONEOK and ONEOK Partners **Research Case Projections** reviewed were the publicly available estimates of Barclays' independent research analyst covering ONEOK and ONEOK Partners. With the consent of the ONEOK Partners conflicts committee, Barclays also calculated a set of implied estimated financial results for Pro Forma ONEOK with respect to 2017 through 2021, by applying the same adjustments to the ONEOK and ONEOK Partners **Research Case Projections** as the adjustments management of ONEOK and ONEOK Partners GP had applied to the ONEOK and ONEOK Partners **Expected Case Projections**, to derive a set of research case projections for Pro Forma ONEOK, which are referred to as the **Pro Forma ONEOK Research Case Projections** and together with the **Research Case Projections** for ONEOK and ONEOK Partners, as the **Research Case Projections**.

In addition, with the consent of the ONEOK Partners conflicts committee, Barclays calculated a set of flat case projections for Pro Forma ONEOK with respect to 2017 through 2021 (the **Pro Forma ONEOK Flat Case Projections**, and together with the ONEOK and ONEOK Partners **Flat Case Projections**, the **Flat Case Projections**) by applying the same adjustments to the ONEOK and ONEOK Partners **Flat Case Projections** as the adjustments management of ONEOK and ONEOK Partners GP had applied to the ONEOK and ONEOK Partners **Expected Case Projections** to derive the **Pro Forma ONEOK Expected Case Projections**.

The **Expected Case Projections** were used by the ONEOK special committee, the ONEOK Partners board and the ONEOK Partners conflicts committee for the purposes of evaluating the merger and by J.P. Morgan and Barclays for their use and reliance upon in connection with their separate financial analyses and opinions described in the sections entitled **Opinion of the Financial Advisor to ONEOK** and **Opinion of the Financial Advisor to ONEOK Partners Conflicts Committee**. In addition, the **Pro Forma ONEOK Flat Case Projections**, the **Research Case Projections** and the ONEOK and ONEOK Partners **Flat Case Projections** were used by the ONEOK Partners conflicts committee for the purposes of evaluating the merger and by Barclays in connection with its financial analyses and opinion described in the sections entitled **Opinion of the Financial Advisor to ONEOK Partners Conflicts Committee**. A summary of the various projections is included below to give ONEOK shareholders and ONEOK Partners common unitholders access to certain unaudited projections that were made available to the ONEOK special committee, the ONEOK Partners board, the ONEOK Partners conflicts committee and their respective advisors in connection with the merger.

ONEOK and ONEOK Partners each caution you that uncertainties are inherent in projections of any kind. None of ONEOK, ONEOK Partners or any of their affiliates, officers, directors, managers, advisors or other representatives has made or makes any representation or can give any assurance to any ONEOK shareholder or

---

**Table of Contents**

ONEOK Partners common unitholder regarding the ultimate performance of ONEOK or ONEOK Partners compared to the summarized information set forth below or that any projected results will be achieved.

The inclusion of the following summary projections in this joint proxy statement/prospectus should not be regarded as an indication that ONEOK, ONEOK Partners or their respective advisors or other representatives considered or consider the projections to be necessarily predictive of actual future performance or events, and the summary projections set forth below should not be relied upon as such.

The accompanying prospective financial information was not prepared with a view toward public disclosure or toward compliance with the published guidelines of the SEC or the guidelines established by the American Institute of Certified Public Accountants for preparation or presentation of prospective financial information. In the view of ONEOK management and ONEOK Partners GP management, the Expected Case Projections and the ONEOK and ONEOK Partners Flat Case Projections were prepared on a reasonable basis, reflected the best available estimates and judgments based on the facts and circumstances existing at the time such projections were prepared, and presented, to the best of ONEOK's management's and ONEOK Partners GP's management's knowledge and belief, the expected course of action and the expected future financial performance of ONEOK and ONEOK Partners in each case, depending on the underlying assumptions regarding commodity prices, volumes and other factors.

The Expected Case Projections and the ONEOK and ONEOK Partners Flat Case Projections included in this joint proxy statement/prospectus have been prepared by, and are the responsibility of, ONEOK management and ONEOK Partners GP management. The Pro Forma ONEOK Flat Case Projections and the Research Case Projections were not prepared by ONEOK management or ONEOK Partners management, but were prepared as described above with the consent of the ONEOK Partners conflicts committee. PricewaterhouseCoopers LLP has not compiled, examined or performed any procedures with respect to the prospective financial information, nor has PricewaterhouseCoopers LLP expressed any opinion or any other form of assurance on such information. The PricewaterhouseCoopers LLP reports incorporated by reference into this joint proxy statement/prospectus relate to historical financial information of ONEOK and ONEOK Partners, respectively. Such reports do not extend to the prospective financial information included below and should not be read to do so.

While presented with numerical specificity, the Expected Case Projections, the ONEOK and ONEOK Partners Flat Case Projections and the estimates of the cost savings and synergies described below reflect numerous estimates and assumptions made by ONEOK management and ONEOK Partners GP management with respect to industry performance and competition, general business, economic, market and financial conditions and matters specific to each of ONEOK's and ONEOK Partners' businesses, all of which are difficult to predict and many of which are beyond ONEOK's and ONEOK Partners' control. In developing the Expected Case Projections and the ONEOK and ONEOK Partners Flat Case Projections, ONEOK management and ONEOK Partners GP management made numerous material assumptions, in addition to the assumptions described above, with respect to ONEOK, ONEOK Partners and the pro forma company for the periods covered by such projections, including:

the price of crude oil, natural gas, and NGLs;

the cash flow from existing assets and business activities;

producer customer drilling and completion activities;



organic growth opportunities, projected volumes, and estimated volume growth and the amounts and timing of related costs and potential economic returns;

the amount of maintenance and growth capital expenditures;

outstanding debt during applicable periods, and the availability and cost of funding; and

other general business, market and financial assumptions.

**Table of Contents**

The Pro Forma ONEOK Flat Case Projections were based upon the ONEOK and ONEOK Partners Flat Case Projections and also reflect such estimates and assumptions.

In addition, while presented with numerical specificity, the Research Case Projections reflect numerous estimates and assumptions made by Wall Street analysts with respect to industry performance and competition, general business, economic, market and financial conditions and matters specific to each of ONEOK's and ONEOK Partners' businesses, all of which are difficult to predict and many of which are beyond ONEOK's and ONEOK Partners' control.

The summaries of the unaudited financial projections are not included in this joint proxy statement/prospectus in order to induce any ONEOK shareholder or ONEOK Partners common unitholder to vote in favor of the ONEOK stock issuance proposal or the ONEOK Partners merger proposal, as applicable. By including in this joint proxy statement/prospectus a summary of certain of the unaudited financial projections, neither ONEOK, ONEOK Partners, nor any of their respective advisors or other representatives, have made or are making any representation to any person regarding the ultimate performance of ONEOK, ONEOK Partners or the pro forma company compared to the information contained in the financial projections. The unaudited financial projections cover multiple years and such information by its nature becomes less predictive with each succeeding year, and the Research Case Projections assume, as described above, that the 2021 results will be the same as the estimated results of the Wall Street analysts for 2020.

The following table sets forth certain projected financial information for ONEOK, ONEOK Partners and the pro forma company for 2016 through 2021 with respect to the Expected Case Projections:

|                                       | <b>Years Ending December 31,</b>   |              |              |              |              |              |
|---------------------------------------|--|--------------|--------------|--------------|--------------|--------------|
|                                       | <b>2016E</b>   | <b>2017E</b> | <b>2018E</b> | <b>2019E</b> | <b>2020E</b> | <b>2021E</b> |
|                                       | <i>(Millions of dollars, except per share/unit amounts and commodity prices)</i> |              |              |              |              |              |
| <b>Commodity price assumptions</b>    |  |              |              |              |              |              |
| Henry Hub Natural Gas (\$/MMBtu)      | \$ 2.45  | \$ 3.00      | \$ 2.90      | \$ 3.15      | \$ 3.20      | \$ 3.30      |
| NGL Composite (\$/gallon) (1)         | \$ 0.42  | \$ 0.51      | \$ 0.54      | \$ 0.61      | \$ 0.67      | \$ 0.71      |
| WTI Crude Oil (\$/Bbl)                | \$ 42.58   | \$ 45.00     | \$ 54.00     | \$ 60.00     | \$ 65.00     | \$ 67.00     |
| <b>ONEOK Partners</b>                 |  |              |              |              |              |              |
| Adjusted EBITDA (2)                   | \$ 1,838   | \$ 1,994     | \$ 2,314     | \$ 2,487     | \$ 2,628     | \$ 2,725     |
| Distributable cash flow (3)           | \$ 1,413   | \$ 1,447     | \$ 1,700     | \$ 1,838     | \$ 1,947     | \$ 2,021     |
| Distributions per unit                | \$ 3.16  | \$ 3.19      | \$ 3.37      | \$ 3.59      | \$ 3.86      | \$ 4.14      |
| <b>ONEOK</b>                          |  |              |              |              |              |              |
| Distributions from ONEOK Partners     | \$ 790   | \$ 802       | \$ 872       | \$ 962       | \$ 1,068     | \$ 1,180     |
| Cash flow available for dividends (4) | \$ 681   | \$ 671       | \$ 605       | \$ 684       | \$ 693       | \$ 773       |
| Dividends per share                   | \$ 2.46  | \$ 2.49      | \$ 2.64      | \$ 2.85      | \$ 3.12      | \$ 3.42      |
| <b>Pro Forma ONEOK</b>                |  |              |              |              |              |              |
| Adjusted EBITDA (2)                   | \$ NA  | \$ 1,994     | \$ 2,314     | \$ 2,487     | \$ 2,615     | \$ 2,712     |
| Distributable cash flow (3)           | \$ NA  | \$ 1,370     | \$ 1,658     | \$ 1,808     | \$ 1,917     | \$ 2,010     |
| Dividends per share (5)               | \$ NA  | \$ 2.98      | \$ 3.28      | \$ 3.61      | \$ 3.97      | \$ 4.36      |

- (1) NGL Composition: 21% Ethane, 52% Propane, 17% Normal Butane, 6% Iso-Butane and 4% Natural Gasoline.
  
- (2) Adjusted EBITDA is a non-GAAP measure of financial performance and is defined as net income adjusted for interest expense, depreciation and amortization, income taxes, allowance for equity funds used during construction and certain other noncash items.
  
- (3) Distributable cash flow is a non-GAAP measure of financial performance and is defined as adjusted EBITDA, computed as described above, less interest expense, maintenance capital expenditures and equity earnings from investments, adjusted for cash distributions received and certain other items.

**Table of Contents**

(4) Cash flow available for dividends is a non-GAAP measure of financial performance and is defined as cash distributions declared from ONEOK's ownership in ONEOK Partners adjusted for ONEOK's standalone interest expense, corporate expenses, excluding certain noncash items, payments related to released contracts from ONEOK's former energy services business, capital expenditures and equity compensation reimbursed by ONEOK Partners.

(5) 2017E dividend of \$0.745 per share annualized; thereafter, reflects dividend growth of 10% per annum. The following table sets forth certain projected financial information for ONEOK, ONEOK Partners and the pro forma company for 2016 through 2021 with respect to the Flat Case Projections:

|  | <b>Years Ending<br/>December 31,</b>   |              |              |              |              |              |
|--|--|--------------|--------------|--------------|--------------|--------------|
|  | <b>2016E</b>   | <b>2017E</b> | <b>2018E</b> | <b>2019E</b> | <b>2020E</b> | <b>2021E</b> |
|  | <i>(Millions of dollars, except per share/unit<br/>amounts and<br/>commodity prices)</i> |              |              |              |              |              |
| <b>Commodity price assumptions</b>         |  |              |              |              |              |              |
| Henry Hub Natural Gas (\$/MMBtu)           | \$ 2.45  | \$ 3.00      | \$ 3.00      | \$ 3.00      | \$ 3.00      | \$ 3.00      |
| NGL Composite (\$/gallon) (1)              | \$ 0.42  | \$ 0.51      | \$ 0.52      | \$ 0.51      | \$ 0.55      | \$ 0.57      |
| WTI Crude Oil (\$/Bbl)                     | \$ 42.58   | \$ 45.00     | \$ 50.00     | \$ 50.00     | \$ 50.00     | \$ 50.00     |
| <b>ONEOK Partners</b>                      |  |              |              |              |              |              |
| Adjusted EBITDA (2)                        | \$ 1,838   | \$ 1,934     | \$ 2,187     | \$ 2,293     | \$ 2,340     | \$ 2,383     |
| Distributable cash flow (3)                | \$ 1,413   | \$ 1,385     | \$ 1,581     | \$ 1,655     | \$ 1,674     | \$ 1,700     |
| Distributions per unit                     | \$ 3.16  | \$ 3.16      | \$ 3.24      | \$ 3.36      | \$ 3.50      | \$ 3.66      |
| <b>ONEOK</b>                               |  |              |              |              |              |              |
| Distributions received from ONEOK Partners | \$ 790   | \$ 790       | \$ 820       | \$ 868       | \$ 926       | \$ 990       |
| Cash flow available for dividends (4)      | \$ 681   | \$ 661       | \$ 577       | \$ 630       | \$ 611       | \$ 657       |
| Dividends per share                        | \$ 2.46  | \$ 2.46      | \$ 2.51      | \$ 2.62      | \$ 2.76      | \$ 2.92      |
| <b>Pro Forma ONEOK</b>                     |  |              |              |              |              |              |
| Adjusted EBITDA (2)                        | \$ NA  | \$ 1,934     | \$ 2,187     | \$ 2,293     | \$ 2,340     | \$ 2,383     |
| Distributable cash flow (3)                | \$ NA  | \$ 1,290     | \$ 1,509     | \$ 1,592     | \$ 1,618     | \$ 1,648     |
| Dividends per share (5)                    | \$ NA  | \$ 2.98      | \$ 3.28      | \$ 3.61      | \$ 3.86      | \$ 3.92      |

(1) NGL Composition: 21% Ethane, 52% Propane, 17% Normal Butane, 6% Iso-Butane and 4% Natural Gasoline

(2) Adjusted EBITDA is a non-GAAP measure of financial performance and is defined as net income adjusted for interest expense, depreciation and amortization, income taxes, allowance for equity funds used during construction and certain other noncash items.

(3)

Distributable cash flow is a non-GAAP measure of financial performance and is defined as adjusted EBITDA, computed as described above, less interest expense, maintenance capital expenditures and equity earnings from investments, adjusted for cash distributions received and certain other items.

- (4) Cash flow available for dividends is a non-GAAP measure of financial performance and is defined as cash distributions declared from ONEOK's ownership in ONEOK Partners adjusted for ONEOK's standalone interest expense, corporate expenses, excluding certain noncash items, payments related to released contracts from ONEOK's former energy services business, capital expenditures and equity compensation reimbursed by ONEOK Partners.
  
- (5) 2017E dividend of \$0.745 per share annualized; thereafter, reflects dividend growth of 10% per annum.

**Table of Contents**

The following table sets forth certain projected financial information for ONEOK, ONEOK Partners and the pro forma company for 2017 through 2021 with respect to the Research Case Projections:

|                                       | <b>Years Ended December 31,</b>  |              |              |              |              |
|---------------------------------------|--|--------------|--------------|--------------|--------------|
|                                       | <b>2017E</b>   | <b>2018E</b> | <b>2019E</b> | <b>2020E</b> | <b>2021E</b> |
|                                       | <i>(Millions of dollars, except per share/unit amounts and commodity prices)</i> |              |              |              |              |
| <b>Commodity price assumptions</b>    |  |              |              |              |              |
| Henry Hub Natural Gas (\$/MMBtu)      | \$ 3.30  | \$ 3.15      | \$ 3.50      | \$ 3.25      | \$ 3.25      |
| NGL Composite (\$/gallon) (1)         | \$ 0.62  | \$ 0.78      | \$ 0.87      | \$ 0.86      | \$ 0.86      |
| WTI Crude Oil (\$/Bbl)                | \$ 55.00   | \$ 70.00     | \$ 75.00     | \$ 75.00     | \$ 75.00     |
| <b>ONEOK Partners</b>                 |  |              |              |              |              |
| Adjusted EBITDA (2)                   | \$ 1,986   | \$ 2,180     | \$ 2,280     | \$ 2,301     | \$ 2,301     |
| Distributable cash flow (3)           | \$ 1,518   | \$ 1,672     | \$ 1,777     | \$ 1,765     | \$ 1,765     |
| Distributions per unit                | \$ 3.19  | \$ 3.35      | \$ 3.52      | \$ 3.69      | \$ 3.69      |
| <b>ONEOK</b>                          |  |              |              |              |              |
| Distributions from ONEOK Partners     | \$ 805   | \$ 872       | \$ 939       | \$ 1,010     | \$ 1,010     |
| Cash flow available for dividends (4) | \$ 623   | \$ 628       | \$ 642       | \$ 693       | \$ 693       |
| Dividends per share                   | \$ 2.59  | \$ 2.85      | \$ 3.14      | \$ 3.45      | \$ 3.45      |
| <b>Pro Forma ONEOK</b>                |  |              |              |              |              |
| Adjusted EBITDA (2)                   | \$ 1,986   | \$ 2,180     | \$ 2,280     | \$ 2,301     | \$ 2,301     |
| Distributable cash flow (3)           | \$ 1,419   | \$ 1,584     | \$ 1,695     | \$ 1,691     | \$ 1,697     |
| Dividends per share (5)               | \$ 2.98  | \$ 3.28      | \$ 3.61      | \$ 3.97      | \$ 4.06      |

(1) NGL Composition: 21% Ethane, 52% Propane, 17% Normal Butane, 6% Iso-Butane and 4% Natural Gasoline.

(2) Adjusted EBITDA is a non-GAAP measure of financial performance and is defined as net income adjusted for interest expense, depreciation and amortization, income taxes, allowance for equity funds used during construction and certain other noncash items.

(3) Distributable cash flow is a non-GAAP measure of financial performance and is defined as adjusted EBITDA, computed as described above, less interest expense, maintenance capital expenditures and equity earnings from investments, adjusted for cash distributions received and certain other items.

(4) Cash flow available for dividends is a non-GAAP measure of financial performance and is defined as adjusted EBITDA, computed as described above, less interest expense, maintenance capital expenditures and equity earnings from investments, adjusted for cash distributions received and certain other items.

(5) 2017E dividend of 74.5 cents per share annualized; thereafter, reflects dividend growth of 10% per annum.

In addition to the Expected Case Projections provided to J.P. Morgan and Barclays and the ONEOK and ONEOK Partners Flat Case Projections provided to Barclays, management of ONEOK and ONEOK Partners GP provided J.P. Morgan and Barclays with estimates of the cost savings and synergies expected to result from the merger. Specifically, management of ONEOK and ONEOK Partners GP estimated that the merger would result in approximately \$3 million per year in cost savings, including from having one public company instead of two public companies. Management of ONEOK and ONEOK Partners GP also advised J.P. Morgan and Barclays that the merger is expected to result in a partial tax basis step-up of ONEOK Partners' subsidiaries' assets, and provided Barclays with a model reflecting their analysis. Barclays updated the model to reflect final deal terms and January 30, 2017 stock prices for ONEOK and ONEOK Partners and noted that, as so updated, the management model implied a tax basis step-up of approximately \$13.7 billion. The basis step-up is expected to create increased tax deductions for the pro forma company via higher tax depreciation and amortization, such that the pro forma company is not expected to pay cash taxes in the projection period (2017-2021) based on the expected case. This estimate is based upon assumptions ONEOK has made regarding, among other things, income, capital expenditures and net working capital. Further, the IRS or other tax authorities could challenge one or more tax positions ONEOK takes, such as the classification of assets under the income tax depreciation

## **Table of Contents**

rules, the characterization of expenses for income tax purposes, and the tax classification of the merger. Further, any change in law may affect ONEOK's tax position. While ONEOK expects that its deductions and NOL carryforwards will be available to it as a future benefit, in the event that they are not generated as expected, are successfully challenged by the IRS (in a tax audit or otherwise) or are subject to future limitations as described under the heading Risk Factors Tax Risks Related to the Merger and the Ownership of ONEOK Common Stock Received in the Merger ONEOK's ability to use NOLs to offset future income may be limited, ONEOK's ability to realize these benefits may be limited.

NONE OF ONEOK OR ONEOK PARTNERS (OR ANY OF THEIR AFFILIATES, OFFICERS, DIRECTORS, MANAGERS, ADVISORS OR OTHER REPRESENTATIVES) INTENDS TO UPDATE OR OTHERWISE REVISE THE ABOVE PROJECTIONS TO REFLECT CIRCUMSTANCES EXISTING AFTER THE DATE WHEN MADE OR TO REFLECT THE OCCURRENCE OF FUTURE EVENTS, EVEN IF ANY OR ALL OF THE ASSUMPTIONS UNDERLYING SUCH PROJECTIONS ARE NO LONGER APPROPRIATE.

## **Opinion of the Financial Advisor to ONEOK**

Pursuant to an engagement letter effective as of August 3, 2016, ONEOK retained J.P. Morgan as its financial advisor in connection with the merger. At the meeting of the ONEOK board held on January 31, 2017 at which the merger agreement was approved, J.P. Morgan rendered to the ONEOK board an oral opinion, subsequently confirmed by delivery of a written opinion, dated January 31, 2017, to the effect that, as of such date and based upon and subject to the factors, assumptions, qualifications and any limitations set forth in its written opinion, the exchange ratio in the merger was fair, from a financial point of view, to ONEOK.

The full text of the written opinion of J.P. Morgan, dated January 31, 2017, which sets forth, among other things, the assumptions made, matters considered, and qualifications and any limitations on the opinion and the review undertaken by J.P. Morgan in connection with rendering its opinion, is attached as Annex B to this joint proxy statement/prospectus and is incorporated herein by reference. The summary of the opinion of J.P. Morgan set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of such opinion. ONEOK shareholders are urged to read the opinion attached as Annex B to this joint proxy statement/prospectus carefully and in its entirety. J.P. Morgan's written opinion was addressed to the ONEOK board (in its capacity as such) in connection with and for the purposes of its evaluation of the merger, was directed only to the fairness, from a financial point of view, to ONEOK of the exchange ratio in the merger and did not address any other aspect of the merger or the other transactions contemplated by the merger agreement. The issuance of J.P. Morgan's opinion was approved by a fairness committee of J.P. Morgan. The opinion does not constitute a recommendation to any shareholder of ONEOK as to how such shareholder should vote with respect to the merger or any other matter.

In arriving at its opinion, J.P. Morgan, among other things:

reviewed a draft dated January 31, 2017 of the merger agreement;

reviewed certain publicly available business and financial information concerning ONEOK and ONEOK Partners and the industries in which they operate;



compared the financial and operating performance of ONEOK and ONEOK Partners with publicly available information concerning certain other companies J.P. Morgan deemed relevant and reviewed the current and historical market prices of ONEOK Partners common units and ONEOK common stock and certain publicly traded securities of such other companies;